

No. 12443

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United States  
Court of Appeals  
For the Ninth Circuit.

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CARL J. SCHIROS,

Appellant,

vs.

UNITED STATES OF AMERICA,

Appellee.

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Transcript of Record

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Appeal from the United States District Court  
Southern District of California,  
Central Division.

FILED

JUN 16 1950

PAUL P. O'BRIEN, CLERK



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[Clerk's Note: When deemed likely to be of an important nature, errors or doubtful matters appearing in the original certified record are printed literally in *italic*; and, likewise, cancelled matter appearing in the original certified record is printed and cancelled herein accordingly. When possible, an omission from the text is indicated by printing in *italic* the two words between which the omission seems to occur.]

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## NAMES AND ADDRESSES OF ATTORNEYS

For Appellant:

DAVID SILVERTON,  
639 S. Spring St.,  
Los Angeles 14, Calif.

For Appellee:

ERNEST A. TOLIN,  
United States Attorney,

NORMAN NEUKOM,

RAY STEELE,

LEILA F. BULGRIN,  
Assistant U. S. Attorneys,  
600 U. S. Post Office &  
Court House Bldg.,  
Los Angeles 12, Calif. [1\*]

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\* Page numbering appearing at foot of page of Certified Transcript of Record.







IN THE UNITED STATES DISTRICT COURT  
IN AND FOR THE SOUTHERN DISTRICT OF CALIFORNIA  
CENTRAL DIVISION

FILED

September, 1949, Grand Jury SEP 21 1949

EDMUND L. SMITH, Clerk  
By                       
Deputy Clerk

UNITED STATES OF AMERICA,

Plaintiff,

v.

CARL J. SCHIRO, .

Defendant.

No. \_\_\_\_\_

20908

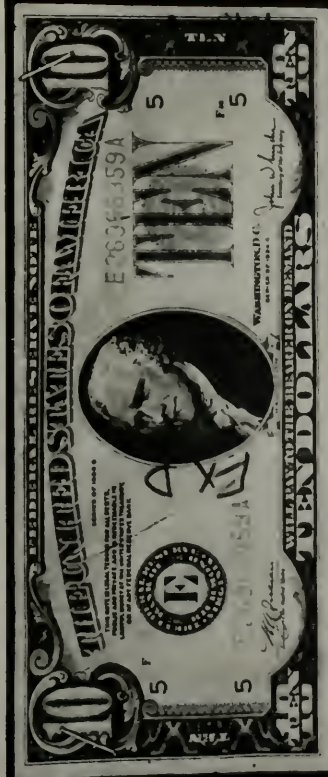
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INDICTMENT

[U.S.C., Title 18, Section 472 -  
Uttering and Possessing Counterfeit Bills]

The grand jury charges:

On or about August 26, 1949, at Los Angeles County, California, in the  
Central Division of the Southern District of California, defendant CARL J.  
SCHIRO with intent to defraud did keep in his possession and conceal  
150 falsely made, forged and counterfeited obligations and securities of the  
United States, each as follows:



knowing the same to be falsely made, forged, and counterfeited.





COUNT TWO

[U.S.C., Title 18, Sec. 1472]

On or about August 26, 1949, at Los Angeles County, California, in the Central Division of the Southern District of California, defendant CARL J. SCHIOS with intent to defraud did pass, utter, publish, and sell and attempt to pass, utter, publish, and sell to John William Wyatt 150 falsely made, forged, and counterfeited obligations and securities of the United States, each as follows:



knowing the same to be falsely made, forged and counterfeited.

A TRUE BILL

*James M. Carter*  
JAMES M. CARTER,  
United States Attorney.

*John W. Carter*  
foreman

RECEIVED

Endorsed : Filed September 21, 1949.



MINUTES OF OCTOBER 3, 1949

At a stated term, to wit: The September Term, A.D. 1949, of the District Court of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof, in the City of Los Angeles on Monday the 3rd day of October in the year of our Lord one thousand nine hundred and forty-nine.

Present: The Honorable Leon R. Yankwich,  
District Judge.

[Title of Cause.]

For arraignment and plea: A. P. Moran, Ass't U. S. Att'y, appearing as counsel for Gov't; Wm. A. Larsen, Esq., appearing as counsel for defendant, who is present on bond; appearance praecipe of Attorney Larsen is filed.

Defendant states his true name is as set forth in Indictment, and his attorney having waived reading thereof, defendant pleads not guilty to both counts. Court orders trial set for Nov. 1, 1949, 10 a.m. [5]

United States District Court, Southern District of  
California, Central Division

No. 20,908 Criminal

UNITED STATES OF AMERICA,  
Plaintiff,  
vs.

CARL JOSEPH SCHIROS,  
charged as Carl J. Schiros,  
Defendant.

### VERDICT

We, the Jury in the above-entitled cause, find the defendant Carl Joseph Schiros guilty as charged in Count One of the Indictment; and guilty as charged in Count Two of the Indictment.

Dated: November 2, 1949.

/s/ SAMUEL K. MILLER,  
Foreman of the Jury.

[Endorsed]: Filed November 2, 1949. [6]

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[Title of District Court and Cause.]

### NOTICE OF MOTION FOR NEW TRIAL

To the Honorable Court, and the Clerk thereof and  
to the office of the United States District  
Attorney:

You Will Please Take Notice that on the 14th  
day of November at the hour of 2 o'clock in the  
afternoon of said date or as soon thereafter as

counsel may be heard, the defendant in the above-entitled action will move the Honorable Court for a new trial for the following reasons:

I.

The verdict is contrary to the weight of the evidence for the following reasons.

1. That the testimony of John Wyatt was so unreasonable as to be unworthy of belief by a jury in light of the fact that the said John Wyatt was an accomplice.

2. That the testimony of John Wyatt should have been entirely discredited by the jury in view of the [7] fact that he was not only an accomplice but had previously been convicted of a charge of counterfeiting, and further, that five of the State's witnesses against the defendant were related to the accomplice John Wyatt in some degree.

3. That testimony regarding the defendant's presence in a restaurant on Whittier Boulevard in the evening of the date of Mr. John Wyatt's arrest did nothing to prove the charges against the defendant and testimony regarding his presence there should not have been introduced.

II.

The verdict is not supported by substantial evidence.

III.

The verdict is contrary to the law:

1. It is evident that the jury disregarded the



Court's instructions regarding the credibility of an accomplice inasmuch as there was no testimony in the instant case, which was material, which tended to connect the defendant with the commission of any offense with the exception of the testimony of John Wyatt, who admittedly had been convicted in the same Court on a counterfeiting charge arising out of the same transaction in which he involved the defendant.

Respectfully submitted,

/s/ WILLIAM W. LARSEN,

Attorney for the Defendant.

Dated at Los Angeles, California, this 9th day of November, 1949. [8]

### MOTION FOR A NEW TRIAL

Comes now the defendant, by and through his attorney, William W. Larsen, and moves the Honorable Court for a new trial upon the following grounds:

#### I.

The verdict is contrary to the weight of the evidence for the following reasons.

1. That the testimony of John Wyatt was so unreasonable as to be unworthy of belief by a jury in light of the fact that the said John Wyatt was an accomplice.

2. That the testimony of John Wyatt should have been entirely discredited by the jury in view of the fact that he was not only an accomplice but had previously been convicted of a charge of coun-

terfeiting, and further, that five of the State's witnesses against the defendant were related to [9] the accomplice John Wyatt in some degree.

3. That the testimony regarding the defendant's presence in a restaurant on Whittier Boulevard in the evening of the date of Mr. John Wyatt's arrest did nothing to prove the charges against the defendant and testimony regarding his presence there should not have been introduced.

II.

The verdict is not supported by substantial evidence.

III.

The verdict is contrary to the law:

1. It is evident that the jury disregarded the Court's instructions regarding the credibility of an accomplice inasmuch as there was no testimony in the instant case, which was material, which tended to connect the defendant with the commission of any offense with the exception of the testimony of John Wyatt, who admittedly had been convicted in the same Court on a counterfeiting charge arising out of the same transaction in which he involved the defendant.

Respectfully submitted,

/s/ WILLIAM W. LARSEN,

Attorney for Defendant.

Dated at Los Angeles, California, this 9th day of November, 1949.

Receipt of copy acknowledged.

[Endorsed]: Filed November 9, 1949. [10]

## MINUTES OF NOVEMBER 14, 1949

At a stated term, to wit: The September Term, A.D. 1949, of the District Court of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof, in the City of Los Angeles on Monday the 14th day of November in the year of our Lord one thousand nine hundred and forty-nine.

Present: The Honorable Leon R. Yankwich,  
District Judge.

[Title of Cause.]

For sentence on each of the two counts, and for hearing motion of defendant, filed Nov. 9, 1949, for a new trial; Leila F. Bulgrin, Ass't U. S. Att'y, appearing as counsel for Gov't.; Wm. W. Larsen, Esq., appearing as counsel for defendant, who is present in custody;

Attorney Larsen makes a statement. Court orders motion for new trial denied.

Court sentences defendant to two years on each of counts 1 and 2, sentence on count 2 to begin at expiration of sentence on count 1, so that maximum time served shall be four years, as follows:

\* \* \*

Report of Prob. Officer is filed. [11]



District Court of the United States for the  
Southern District of California, Central Division

No. 20,908 Criminal

UNITED STATES OF AMERICA,

vs.

CARL JOSEPH SCHIROS,  
charged as Carl J. Schiros.

JUDGMENT AND COMMITMENT

Indictment—two counts 18 USC 472

On this 14th day of November, 1949, came the attorney for the government and the defendant appeared in person and by counsel, William W. Larsen, Esq.

It Is Adjudged that the defendant has been convicted upon his plea of not guilty each count, and verdict of guilty each count of the offenses of (ct 1) that on or about August 26, 1949, at Los Angeles County, Calif., defendant with intent to defraud did keep in his possession and conceal 150 falsely made, forged and counterfeited obligations and securities of the U. S., each in the likeness of a \$10 Federal Reserve Note, knowing the same to be falsely made, etc.; (ct 2) that on or about said date at said place defendant with intent to defraud did pass, utter, publish, and sell and etc. to John William Wyatt 150 falsely made, forged and counterfeited obligations etc. of the U.S., knowing same to be falsely made as charged in said Indictment, and the court having asked the defendant whether he

has anything to say why judgment should not be pronounced, and no sufficient cause to the contrary being shown or appearing to the Court,

It Is Adjudged that the defendant is guilty as charged and convicted.

It Is Adjudged that the defendant is hereby committed to the custody of the Attorney General or his authorized representative for imprisonment in an institution of the penitentiary type for a period of two years on count 1, and a period of two years on count 2, said sentence on count 2 to run consecutively to sentence on count 1 so that the maximum time served shall be four years.

It Is Ordered that the Clerk deliver a certified copy of this judgment and commitment to the United States Marshal or other qualified officer and that the copy serve as the commitment of the defendant.

/s/ LEON R. YANKWICH,  
United States District Judge.

[Endorsed]: Filed November 14, 1949. [12]

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[Title of District Court and Cause.]

### NOTICE OF APPEAL

Offense: Violation of Section 472 of Title 18, U.S.C.

Judgment: Two years imprisonment in the Federal Penitentiary on Count I and two years in the

Federal Penitentiary on Count II, the sentence on Count II to begin at the termination of the sentence on Count I. This judgment was rendered on the 14th day of November, 1949.

Defendant confined at present; no bail has been set on appeal pending the date of this notice.

I, the above-named defendant appellant, hereby appeal to the United States District Court of Appeals for the Ninth Circuit from the above-stated judgment.

Dated at Los Angeles this 15th day of November, 1949.

/s/ CARL J. SCHIROS,  
Defendant Appellant.

/s/ WILLIAM W. LARSEN,  
Attorney.

[Endorsed]: Filed November 23, 1949. [13]

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[Title of District Court and Cause.]

## STATEMENT OF GROUNDS ON APPEAL

Comes now the defendant, Carl J. Schiros and states his grounds on appeal to be as follows:

### I.

That the verdict on each count is contrary to the evidence.

### II.

That the verdict on each count is contrary to the law.

## III.

That the Court erred in denying defendant's Motion for a New Trial.

Dated at Los Angeles, this 15th day of November, 1949.

/s/ CARL J. SCHIROS,  
Defendant.

/s/ WILLIAM W. LARSEN,  
Attorney.

[Endorsed]: Filed November 23, 1949. [14]

---

[Title of District Court and Cause.]

DESIGNATION OF RECORD TO BE  
USED ON APPEAL

Comes now the defendant Carl J. Schiros and requests the Clerk of the above Court to include the following named documents in the record to be used on the appeal in this case:

1. The Indictment.
2. The Plea of Carl J. Schiros.
3. Transcript of the testimony adduced at the trial.
4. The verdict of the jury.
5. Motion for a New Trial.
6. Rulings of the Court Upon Motion for a New Trial.



7. Judgment and Sentence of the Court.

Dated this 15th day of November, 1949.

/s/ CARL J. SCHIROS,  
Defendant.

/s/ WILLIAM W. LARSEN,  
Attorney for Defendant.

Receipt of Copy acknowledged.

[Endorsed]: Filed November 23, 1949. [15]

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[Title of District Court and Cause.]

SUBSTITUTION OF ATTORNEY

I hereby substitute David Silverton as attorney in the above-entitled matter for and in place of William W. Larsen.

/s/ CARL J. SCHIROS.

I accept this substitution.

/s/ DAVID SILVERTON.

I consent to said substitution.

/s/ WILLIAM W. LARSEN.

Receipt of Copy acknowledged.

[Endorsed]: Filed December 13, 1949. [16]

In the District Court of the United States in and  
for the Southern District of California, Central  
Division

No. 20,908, Criminal

Honorable Leon R. Yankwich, Judge Presiding

UNITED STATES OF AMERICA,  
Plaintiff,

vs.

CARL JOSEPH SCHIROS,  
Defendant.

REPORTER'S TRANSCRIPT OF  
PROCEEDINGS

November 1, 1949

Appearances:

For the Plaintiff:

RAY M. STEELE and  
LEILA F. BULGRIN,  
Assistant United States Attorneys.

For the Defendant:

WILLIAM W. LARSEN,  
220 Broadway Temple Building,  
Los Angeles, California.

\* \* \*

(Whereupon, a jury of twelve were duly  
impaneled and sworn.)

(An opening statement on behalf of the plain-  
tiff was made by Mr. Steele.)

The Court: Mr. Larsen, do you desire to make a statement?

Mr. Larsen: May we reserve our statement?

The Court: Yes. We will have a short recess, before we begin the taking of testimony. Perhaps, so long as no evidence has been presented, it may be stipulated the usual admonition has been given to the jury.

Mr. Steele: Yes, your Honor.

Mr. Larsen: Yes, your Honor.

The Court: Ladies and gentlemen of the jury, you will withdraw from the courtroom, and the bailiff will show you where our jury room is.

(Short recess taken.)

The Court: The record will show the jury have returned and are in the box, and the defendant is in court with his counsel.

Call your first witness.

Mrs. Bulgrin: Mr. Wyatt. [2\*]

### JOHN WYATT

called as a witness by and on behalf of the Government, having been first duly sworn, was examined and testified as follows:

The Clerk: Take the stand, please, sir. What is your name, please?

The Witness: John Wyatt.

The Clerk: What is the spelling of your last name?

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\* Page numbering appearing at top of page of original Reporter's Transcript.

(Testimony of John Wyatt.)

The Witness: W-y-a-t-t.

Direct Examination

By Mrs. Bulgrin:

Q. Mr. Wyatt, do you recognize the defendant in this case?      A. Yes.

Q. Can you point the defendant out for us?

A. Yes. Right there (indicating).

Q. Which gentleman?

A. The second one from——

Q. Have you met the defendant before?

A. Yes.

Q. Can you tell us when you first became acquainted with him?

A. It was on a Sunday night before the 26th of September.

Q. Where did you see him?

A. In a bar on Florence and Compton. [3]

Q. What was the name of the bar?

A. Top Rail.

Q. Can you tell us approximately what time of day this meeting took place?

A. It was in the evening. I don't know just what time it was, 8:30, 9:00, or maybe 10:00 o'clock; somewhere there.

Q. Was anyone else present at that time?

A. No.

Q. Where were you in the cafe?

A. Sitting at the bar.

Q. What was the occasion of this meeting?



(Testimony of John Wyatt.)

A. I just go in there occasionally for a glass of beer.

Q. Did you have a conversation with the defendant at that time?

A. Yes. I just talked to him, nothing in regards to money. We just struck up an acquaintance.

Q. What was said?

A. Oh, nothing. Just a general—where he came from and where I came from, and what we did for a living, and one thing another.

Q. About what time did you leave the bar?

A. 11:00 o'clock at night.

Q. Did you leave with the defendant?

A. Yes.

Q. Where did you go? [4]

A. I drove him to Manchester and Vermont.

Q. What was the occasion of driving him to Manchester and Vermont?

A. He didn't have any car, and I had my car there, my sister's car there.

Q. Was anything further said? A. No.

Q. When did you next see the defendant?

A. On a Wednesday after Sunday.

Q. Where did you see him?

A. Same place.

Q. Top Rail bar? A. Yes.

Q. And approximately what time of day was that? A. About the same time.

Q. What was the occasion of meeting at the Top Rail bar on that occasion?

(Testimony of John Wyatt.)

A. There was no occasion. I just met him there.

Q. Just happened to meet him?

A. Same way again, yes.

Q. There was no agreement to meet there on Wednesday?      A. No.

Q. What time of day did you say that was?

A. That was in the evening, the same time as it was Sunday. [5]

Q. Who else was present?

A. No one that I knew.

Q. There were customers in the cafe?

A. Oh, yes.

Q. Did you have a conversation with the defendant at that time?      A. Yes.

Q. What was said?

A. Well, we talked about the money, and I asked him——

Q. What did he say to you, first?

A. Just a chance to make some money, I guess; come up that way.

Q. What did you say?

A. I don't know the exact words. It all developed around making some money, and I did it, that is all.

Q. What else did he say about the money?

A. Nothing that I know of.

Q. Did he tell you how you were to make this money?

A. Just pass it off, that is all.

Q. What kind of money were you passing?

(Testimony of John Wyatt.)

A. Ten-dollar bills.

Q. Did he describe the ten-dollar bills to you?

A. No.

Q. Did he tell you they were real ten-dollar bills?      A. No. [6]

Q. What did he say about them?

A. He said they were bad ones.

Q. Did he tell you they were counterfeit ten-dollar bills?

A. I don't know whether he said it that way. They were just bad money.

Q. What else was said between you?

A. That is all.

Q. What time did you leave the bar?

A. About 11:00 o'clock.

Q. Where did you go?

A. I went home.

Q. Did you take the defendant with you?

A. Yes.

Q. What did you do when you got home?

A. He just come in the house and I introduced him to my wife, and stayed about five or ten minutes, and he left by himself.

Q. Did he say he wanted to go home with you?

A. Yes.

Q. Did he say why he wanted to go home with you?      A. No reason.

Q. Did he have a car?      A. No.

Q. Did you have a car? [7]

A. No, I didn't have the car that night. I just live a few blocks from there. I can't remember

(Testimony of John Wyatt.)

whether it was Sunday or Wednesday I had the car. It was one of the nights I drove him. It could have been Wednesday I drove him to Manchester and Vermont. I can't think of it right now.

Q. What else was said between yourself and the defendant when you got home? Was anything said about the money?

A. Well, we talked about the money on the way home and he just give me the chance to take some of it and meet him the next morning, or Friday morning, and pick it up and see if I could pass any of it.

Q. When did you next see the defendant?

A. Friday morning.

Q. Where did you meet him?

A. Florence and Compton, on the corner.

Q. Is Florence and Compton near the Top Rail bar?  
A. Yes, it is right close to it.

Q. Was anyone else with you? A. No.

Q. What time of day did you meet him?

A. About 8:30 or 9:00 o'clock in the morning.

Q. Did you have a conversation at that time?

A. Wasn't much conversation. Just give me the money, and I was to meet him there that evening.

Q. What else did he say to you? [8]

A. That is all; nothing.

Q. Did he give you the money at that time?

A. Yes.



(Testimony of John Wyatt.)

Mrs. Bulgrin: I have here an envelope containing four smaller envelopes, which I would like the Clerk to mark as Government's Exhibit No. 1.

Mr. Larsen: May I inquire of your Honor if that is for identification?

Mrs. Bulgrin: For identification.

The Clerk: Government's Exhibit 1 marked for identification.

(The envelope referred to was marked Government's Exhibit No. 1 for identification.)

Mr. Larsen: Thank you.

Mrs. Bulgrin: Your Honor, I would like to have these smaller envelopes inside marked as Government's Exhibits 1-A, 1-B, 1-C, and 1-D.

The Court: As you use them they can be marked. I think we had better not mark them at the present time. Take one of them at a time and have it identified further, and then we will mark it for identification in that manner.

Q. (By Mrs. Bulgrin): Mr. Wyatt, calling your attention to these smaller envelopes—this small envelope which I have in my hand, will you examine the contents?

A. (Witness complies.) [9]

Q. What appears to be in the envelope?

A. Ten-dollar notes.

Q. Are those part of the ten-dollar notes passed to you by the defendant on August 26th at the corner of Florence and Compton?

(Testimony of John Wyatt.)

A. I don't know whether they are the ones; they look like it.

Q. Are they similar to the ones passed to you?

A. Yes.

Q. Will you examine the contents of these three other smaller envelopes?

A. (Witness complies.)

Q. What appears to be in each of those smaller envelopes? A. Ten-dollar notes, the same.

Q. Can you say these are the notes passed to you at that time by the defendant?

A. Well, they look like it. I don't know. All tens look alike to me.

Q. Would you say these are similar to the counterfeit notes passed to you?

A. Similar, yes.

Mrs. Bulgrin: At this time I would like to have these marked for identification as Government's Exhibits 1-A, 1-B, 1-C, and 1-D. [10]

The Court: All right. They will be marked Government's Exhibits 1-A, 1-B, 1-C, and 1-D.

The Clerk: Government's Exhibits 1-A, 1-B, 1-C, and 1-D marked for identification.

(The envelopes, with their contents, above referred to, were marked Government's Exhibits Nos. 1-A, 1-B, 1-C, and 1-D, respectively, for identification.)

Q. (By Mrs. Bulgrin): Mr. Wyatt, at the time the bills were passed to you were there any par-

(Testimony of John Wyatt.)

particular unusual markings on the bills, that you remember?      A. No.

Q. During the time that you became acquainted with the defendant did you own a car of your own?

A. No.

Q. Then each time you used a car was it necessary for you to borrow a car from someone else?

A. Well, I only had the car once. It belonged to my sister. She lived in my house.

Q. Is that at the time of the first meeting or the second meeting?

A. It was the time of the first meeting. It was a Sunday night. I drove the car quite a bit. My sister lived at the house. I usually drove it all the time.

Q. You believe you may have used the car on the Sunday night and on the Wednesday night both?

A. It is possible. I usually had it all the time she wasn't going any place.

Q. Did the defendant have a car with him at any time?

A. Yes, the morning he gave me the money.

Q. That was on Friday morning, August 26, 1949?      A. Yes.

Q. Did he take you anywhere in the car?

A. No.

Q. Did you see the car?

A. I just seen him drive off in a car.

Q. Can you describe it?

A. It was a Chrysler product. I don't even know what kind of a car it was.

(Testimony of John Wyatt.)

Q. Did you see him drive up to the place of the meeting in the car? A. No.

Q. You testified, Mr. Wyatt, that on August 26, 1949, these ten-dollar bills were given to you by the defendant. A. Yes.

Q. Can you tell us how many ten-dollar bills were given to you? A. 150.

Q. 150? A. Yes.

Q. Did you count these bills at that time? [12]

A. Yes. I counted them when I got home.

Q. You counted them when you got home?

A. Yes.

Q. Now, when you left the defendant, what did you do? A. I went home.

Q. On the morning of August 26th?

A. I went home and talked to my wife about it, and——

The Court: You cannot tell us what she said or you said to her, unless you reported the conversation later on to the defendant. If you did, then you may repeat it.

The Witness: Well, I went home and we borrowed a car.

Q. (By Mrs. Bulgrin): Did you tell your wife what had transpired between you and the defendant? A. Yes.

Q. Did you tell her that he had given you——

The Court: Just a moment.

Mr. Larsen: We will object.

The Court: I just forestalled that. He cannot testify as to what she told him or he told her. That



(Testimony of John Wyatt.)

is what I am trying to avoid. You are trying to bring it in. He cannot tell his conversation with his wife.

Q. (By Mrs. Bulgrin): What did you do after you got home?

A. I borrowed an automobile and started to go around to the different stores, passing the ten-dollar bills. And my wife was picked up. [13]

Q. Was your wife with you at that time?

A. Yes.

Q. Can you tell me how many ten-dollar bills were passed by you?

A. Well, I really don't know. I think there is \$483.00 change that we got back from the ones that we had passed. They had them on file here. Mr. Carter there (indicating) could tell you how many were there.

Q. How many bills did you pass personally?

A. Well, that I have no way of knowing. I mean, I just kept going from one place to another. I never kept track of them at all. The money is all in the Secret Service. The Secret Service men have the good and the bad money. They can find exactly how many I passed.

Q. How long did you pass these bills?

A. Just about five hours, five and a half hours.

Q. What happened after you stopped passing them?

A. Well, they arrested my wife and took her to jail in Pasadena, and I surrendered myself to

(Testimony of John Wyatt.)

Secret Service men on Monday after Friday of the 26th.

Q. Now, at the time the money was passed to you by the defendant on the morning of August 26th, did you note the license number on the car he drove away in?      A. Yes.

Q. Do you recall what that number is now?

A. 38-M-900.

Q. At any time during your conversations with the defendant, that you have mentioned in court this morning, did you tell him about a restaurant owned by John Didier?      A. No.

Q. You didn't mention that restaurant?

A. No.

Q. Mr. Wyatt, where are you at the present time?      A. County Jail.

Q. Have you been sentenced for your participation in this?      A. Yes.

Q. What was the sentence?

The Court: Just a moment. That does not matter. Do not bring that out. Let counsel for the defendant bring it out if he wants to. It is no concern of this jury what happened to him.

Mrs. Bulgrin: That is all.

#### Cross-Examination

By Mr. Larsen:

Q. Mr. Wyatt, at the time that you first met the defendant Schiros were you employed?

A. Yes.

Q. What was your business or occupation at that time?      A. Painter. [15]

(Testimony of John Wyatt.)

Q. This was on a Sunday night immediately preceding August the 26th, is that correct?

A. Yes.

Q. It would be approximately August 21st?

A. Yes.

Q. You met him, you would say, sometime between 8:00 and 10:00 that evening? A. Yes.

Q. The meeting transpired in a cocktail bar, the name of the bar being the Top Rail, is that right?

A. Yes.

Q. Were you introduced to the defendant?

A. No.

Q. How did you chance to first talk to him?

A. I just sat down beside him in the bar, is all.

Q. He was already in the bar? A. Yes.

Q. What was he doing?

A. Just drinking.

Q. Who spoke first, did you or he?

A. I don't know who spoke first. Just struck up an acquaintance. I can't remember how it came about.

Q. Well, what were the first words you said to each other?

A. As much as I can recall, we just talked about states we had come from and what we were doing for a living, and one thing another.

Q. Did he ask you what your business or occupation was? A. Yes.

Q. You told him? A. Yes.

Q. Did you ask him what his business or occupation was?

(Testimony of John Wyatt.)

A. No. He didn't say. That never arose.

Q. You didn't ask him? A. No.

Q. Did you ask him where he lived?

A. No, I never knew where he lived.

Q. Did you ask him if he had any family?

A. No.

Q. When was the topic of money first introduced between you? A. Wednesday night.

Q. Following the Sunday when you first met?

A. Yes.

Q. Now, Wednesday night you just chanced to meet in this bar again? A. That is right.

Q. You had made no previous arrangement to meet? A. No arrangement.

Q. Wholly and completely a chance meeting, is that [17] right? A. That is right.

Q. What time did you meet on Wednesday night?

A. Same time as Sunday, between 8:00 and 10:00 sometime.

Q. Who got there first, you or Mr. Schiros?

A. I was there first.

Q. He came and sat down next to you?

A. That is right.

Q. What was the conversation at that time?

A. About the same as the rest, only he brought up the money at that time. We talked about money.

Q. What did you talk about first?

A. Just talked about—spoke to him. I don't know just what.



(Testimony of John Wyatt.)

Q. What was the first that was said about money? What were the first words?

A. Well, he told me about the money that could be made, make some easy money, that is all.

Q. Who said that?

A. Jim, or Carl. I knew him by "Jim."

Q. What did you say?

A. Well, I foolishly was interested in it.

Q. What did you say?

A. I said I would like to have some of it.

Q. Then what did he say? [18]

A. He said he could arrange it.

Q. What did you say?

A. I didn't say any more, just made the arrangements. He come down to the house. He come down to the house and he arranged to meet me on a Friday morning and give me the money.

Q. How long in point of time did you and the defendant talk Sunday evening?

A. How long did we talk Sunday evening? An hour and a half, two hours.

Q. How long did you talk Wednesday evening before the subject of money was brought up?

A. Same amount of time.

Q. Then, after talking generally for an hour and a half or two hours on Wednesday evening, Mr. Schiros brought up the subject of money?

A. That is right.

Q. After you had said you would like to get some of this easy money, what did he say?

(Testimony of John Wyatt.)

A. He told me that he would meet me on Friday and I could try to get rid of some of it.

Q. Did he say how you were to make this easy money?

A. Oh, yes, he told me about the ten-dollar bills.

Q. What did he say about them?

A. He said he had some bad ten-dollar bills, and to pass them on a 60-40 basis. [19]

Q. What did you say to that?

A. I said I would take some of them.

Q. After that he drove you home or you drove him home?

A. I only drove him one time, to Manchester and Vermont. I can't remember now whether it was Sunday or Wednesday. I think it was Sunday night. The other night we just went to my house. I live a few blocks from there. He come to the house and was probably in there 15 minutes altogether.

Q. While he was in the house did he talk about this money?      A. No.

Q. Did you ever hear him talk to your wife about the money?

A. No, he never talked——

Q. His entire conversation was with you, is that correct?      A. That is right.

Q. No question or no conversation was had regarding money the first night you met him?

A. No.

Q. Do you remember confronting the defendant

(Testimony of John Wyatt.)

in this building shortly after the defendant was first arrested?

A. I never seen him after he was arrested.

Q. You didn't talk to him at all?

A. Never. [20]

Q. It is not true that you have previously said that you and the defendant talked about this counterfeit money the first night you met?

A. No.

Q. In other words, it wasn't until after you talked to him for approximately three hours all told that the subject of money came up?

A. That is right.

Q. During the Sunday night conversation did you tell the defendant where you lived?

A. Yes.

Q. Did you tell him who you worked for?

A. Yes—no, I don't think he knows who I work for yet. I just told him I was a painter.

Q. Did you tell him how much you made?

A. I think so.

Q. Did he ask you how long you had lived in Los Angeles? A. Yes.

Q. Did he ask you who your friends were?

A. No.

Q. Did he ask you how much family you had?

A. Yes.

Q. Did he ask you if you had ever had any experience with the law? A. Yes. [21]

Q. Now, on the next night you met, did he go

(Testimony of John Wyatt.)

into these questions again regarding your work and your family?

A. No, not very much. Nothing, except only I guess he wanted to meet the family or see where I lived, or something.

Q. Do you remember whether you took the defendant to your home on Sunday night or Wednesday?

A. It was Wednesday night when he came to the house.

Q. In other words, Wednesday night was the first the defendant ever went to your home?

A. Yes.

Q. That was after he had approached you on the proposition of making some money?

A. It was the same night, yes.

Q. Previous to the time that the defendant asked you about making some easy money, all the conversation had just been between the two of you?

A. Yes.

Q. With no mutual friends present?

A. Nobody was present.

Q. Had you told him the names of any of your friends? A. None.

Q. Had he asked you for any references?

A. None.

Q. As a matter of fact, up until Wednesday night you hadn't even told him the address of your house, had you? [22] A. That is right.

Q. Very well. Now, then, directing your attention to these bills which are the prosecution's



(Testimony of John Wyatt.)

first exhibit for identification, when did you first see them?

A. On Wednesday at the bar. He had one of them then.

Q. I see. Did you examine it at that time?

A. Yes, I looked at it.

Q. Did it appear to you to be in any way irregular?

A. No, I couldn't tell the difference. I mean, it looked good to me. The only reason I knew it was bad is he said it was bad. I don't know whether it was bad or good; I don't know.

Q. When you received this parcel or package, whatever it was, of 150 bills, were those enclosed in some wrapping substance of some kind?

A. Yes.

Q. How were they wrapped?

A. Piece of newspaper.

Q. All the 150 were together? A. Yes.

Q. They weren't sorted in parcels as they are now? A. Yes.

Q. You would not say to this jury now, would you, that those are the same 150 bills that you received?

A. I couldn't say that, because I never looked at them [23] that close. It could be good ten-dollar bills I looked at here. I don't know.

Q. They just appear similar to other ten-dollar bills, isn't that right?

A. That is correct.

(Testimony of John Wyatt.)

Q. You have no way whatsoever of identifying them, do you?

A. No, I never looked at them that close.

Mr. Larsen: That is all, your Honor.

The Court: Do you have any redirect examination?

Mrs. Bulgrin: Yes, sir.

### Redirect Examination

By Mrs. Bulgrin:

Q. Mr. Wyatt, will you tell us something else about the arrangements that were made for your share of the proceeds from the passing of the ten-dollar bills?

A. The only thing that was said was 60-40.

The Court: How was it to be paid?

The Witness: I was to meet him and pay him on the corner of Florence and Compton.

The Court: When?

The Witness: As soon as I got rid of it, on Friday night, Friday evening, which would have been \$900.00 to him and I had the rest out of the \$1,500.00.

The Court: Who was to get the long end? [24]

The Witness: The defendant.

The Court: He was to get the 60?

The Witness: Yes. We had merchandise and what was left of the money, if we would have done it, but the Government has the money. We didn't do anything with it.

(Testimony of John Wyatt.)

The Court: Were you to pass these bills by making purchases in stores?

The Witness: Yes. We made small purchases in stores, from Alhambra, El Monte, Pasadena, and a few places, small places.

Q. (By Mr. Bulgrin): That is the way they were passed by you? A. Yes.

Q. Now, can you describe the front of the Top Rail bar for us, Mr. Wyatt?

A. Well, it is a bar with a big neon light on it, with a cowboy throwing a rope, and the neon light makes the rope, the lariat, move. There is a little hot dog stand open to the public at the sidewalk.

Q. Is the glass on the front of the bar colored or is it possible to see through it easily?

A. You can't see through the front of the building into the bar, only through the hot dog stand.

Q. You can see through the hot dog stand into the Top Rail bar? [25]

A. Yes. Just a certain spot you can see into. I don't know how much you can see. I never tried to look.

Q. Do you know whether it is possible to see the bar from that point or not?

A. Well, probably the center of the bar, you could see two or three people sitting there, yes.

Q. During the occasion of these conversations you have mentioned, did the defendant tell you what his name was?

A. He told me his name was Jim.

(Testimony of John Wyatt.)

Q. Was he known by you as Jim during the time you were acquainted with him?

A. That is all, yes. Three days.

The Court: He never told you his last name?

The Witness: No, I never heard of his name until he was arrested.

Q. (By Mrs. Bulgrin): Mr. Wyatt, when the defendant accompanied you to your home on Wednesday evening, who was present at that time?

A. Who was present at the house?

Q. Yes. Were you?

A. My wife, children, my sister and her two daughters, I believe. That is about all.

Q. How many children were present?

A. Well, I have five children. I think three of them were home at the time. [26]

Q. You didn't discuss the deal you made with the defendant?

A. No, I never told anybody about it until after I had the money, and the only one I told was my wife.

Q. You say your sister was present?

A. Yes.

Q. Do you know where she is now?

A. No, I don't.

Q. What is her name?

A. Eleanor Shaw.

Q. Are you acquainted with Marie Taylor?

A. Yes, I know Marie Taylor.

Q. Do you know where she is now?

A. No, I don't.



Mrs. Bulgrin: That is all.

Mr. Larsen: That is all, your Honor.

The Court: All right. That is all.

(Witness excused.)

Mr. Steele: Mrs. Wyatt.

The Court: There is one statement I desire to make for the benefit of the jury, and that is about the question of punishment. The reason I did not allow Mr. Wyatt to answer the question as to punishment is because you are not concerned with the problem of punishment at all. That is up to the court. As a matter of fact, I sentenced this witness, Mr. [27] Wyatt.

Counsel had every right to ask him whether there is a case pending against him or what the status of it is, because that may affect his credibility as a witness or go to his bias or interest in the outcome of the case.

What punishment he received is not material at all. That is why I sustained the objection. We are not trying to conceal anything from you, but there are certain things you have a right to hear and certain things you do not.

### BONNIE RUTH WYATT

called as a witness by and on behalf of the Government, having been first duly sworn, was examined and testified as follows:

The Clerk: What is your name, please?

The Witness: Bonnie Ruth Wyatt.



(Testimony of Bonnie Ruth Wyatt.)

Direct Examination

By Mr. Steele:

Q. You are the wife of John Wyatt?

A. Yes, I am.

Q. How long have you been married, Mrs. Wyatt?

A. Seven years.

Q. Have you seen the defendant before?

A. Yes, sir.

Q. Would you point out for the benefit of the jury which of these persons is the defendant?

A. The middle one (indicating). [28]

Q. The man with the jacket, is that correct?

A. Yes, sir.

Q. Where did you first see the defendant?

A. In my home.

Q. Where is your home?

A. 7219 Whitsett.

Q. In Los Angeles?

A. Yes, sir.

Q. What day was that, if you remember?

A. It was on a Wednesday.

Q. What month?

A. August.

Q. This year?

A. Yes, sir.

Q. About what time of the day was that?

A. Around 10:30 or 11:00 o'clock at night.

Q. Were you there when the defendant appeared at your home?

A. Yes, sir.

Q. Who was with you, if anybody?

A. My husband.

Q. Who else was in the home at the time?

(Testimony of Bonnie Ruth Wyatt.)

A. My sister-in-law, my children and her children.

Q. Were you introduced to the defendant at that time?      A. Yes, sir. [29]

Q. What was the name by which the defendant was introduced to you?      A. Jim.

Q. Did you have any conversation with the defendant?      A. Not much.

Q. Did the defendant have any conversation with anyone in your presence there?

A. No, not much of anything.

Q. Was there any mention of money?

A. No, sir.

Q. Do you recall how the defendant arrived, that is, by what means he arrived at your house?

A. When he come with my husband?

Q. Were they walking or riding?

A. I believe they were walking. I believe my sister-in-law had the car that night.

Q. How far is it from your home, if you know, to this Top Rail bar?

A. I would say about ten blocks.

Q. Now, directing your attention to Government's Exhibits 1-A, 1-B, 1-C and 1-D for identification, I would like to have you examine those exhibits, if you will, please. I refer to the contents of the envelopes.      A. Ten-dollar bills.

Q. Have you seen anything like that before?

A. They are ten-dollar bills. I have seen ten-dollar bills before.

(Testimony of Bonnie Ruth Wyatt.)

Q. Could you state whether or not those are the ten-dollar bills, or that you have seen those particular ten-dollar bills before?

A. Well, I guess I have if they are the ones I have had. I couldn't swear they are exactly the same ones.

Q. You don't know, of your own knowledge, whether those are ten-dollar bills you have had in your possession before? A. No, I don't.

Q. Now, on the 26th of August, do you recall having in your possession a quantity of ten-dollar bills?

A. Yes, sir.

Q. Will you tell the jury how that came about?

A. How I got the money, you mean?

Q. Yes.

A. I got it through my husband. My husband gave it to me.

Q. What time of the day was that?

A. It was in the morning, around 9:00, 10:00 o'clock, something like that.

Q. Where were you when he gave you the money?

A. I was in the kitchen of our home.

Q. Had your husband been home that morning or had he [31] come from somewhere?

A. He had been home, and he got up and left, and then he came home again.

Q. Then he showed you this money?

A. And then he showed me the money.

Q. What did you do with the money, if anything?

A. I took it out and distributed it.

(Testimony of Bonnie Ruth Wyatt.)

Q. Would you go into a little more detail, please?

A. Well, I took the money and went from store to store and bought small items and took the change.

Q. How did you get from store to store?

A. With my husband. We borrowed my brother-in-law's car.

Q. Who is your brother-in-law? What is his name?

A. Chester Morris.

Q. Did you pass these notes all in the same locality?

A. No, sir.

Q. Just where, if you recall, did you take them?

A. El Monte, Alhambra, Pasadena.

Q. Just tell the jury what transpired during the events of that afternoon, that day.

A. I don't understand.

Q. You say you passed the bills.

A. Yes.

Q. Well, when did you stop? [32]

A. Well, I stopped when I got caught.

Q. Where were you caught?

A. Nash's Department Store in Pasadena.

Q. Was your husband with you then?

A. He wasn't with me, no.

Q. Where was the car at that time?

A. It was on the street.

Q. Did the car remain on the street or was it gone when you went back?

A. No, it was there when I went back.

Q. Who was with you when you went back?

A. A policeman.

Q. That is, after you had been arrested?



(Testimony of Bonnie Ruth Wyatt.)

A. Yes, sir.

Q. What happened to the car at that time?

A. Well, so far as I know, the policemen got it.

Q. The policeman got it? A. Yes.

Q. Did anyone open the car?

A. Not to my knowledge.

Q. You weren't present when anyone opened the car? A. No, sir.

Q. When you left the car in Pasadena, was your husband in the car? A. No, sir. [33]

Q. Did you leave with him?

A. I left the car with him, yes.

Q. Did you leave any of these bills in the car when you left the car? A. I believe so.

Q. You don't know how many you left in the car? A. No, sir.

Q. How many did you take with you, if you recall? A. You mean on myself?

Q. Yes, when you left the car in Pasadena.

A. I think they took 17 off of me; I am not sure.

Q. Do you know how many your husband had with him when he left the car? A. No, sir.

Q. But you do know that some were left in the car, is that correct? A. Yes, sir.

The Court: How many did you start with, do you remember? You say they took 17 from you that you had not cashed. How many did you have when you started?

The Witness: I don't know, sir. I mean, I didn't count them. My husband just gave me a few and I just took them.



(Testimony of Bonnie Ruth Wyatt.)

Q. (By Mr. Steele): You never told how many bills there were? A. No, sir. [34]

Q. Do you know Marie Taylor?

A. Yes, sir.

Q. Do you know where she is now?

A. No, I don't.

Q. On August 26th, do you know where she lived?

A. No. I know she lived not far from us. I don't know the address.

Q. Do you know Eleanor Shaw?

A. Yes, I do.

Q. Do you know where she lived on August 26th?

A. She lived with me.

Q. With you? A. Yes, sir.

Q. Do you know where she is now?

A. No, I don't.

Mr. Steele: That is all. You may cross-examine.

#### Cross-Examination

By Mr. Larsen:

Q. Mrs. Wyatt, I take it then from your testimony you cannot identify any of these bills as being bills that you actually had in your possession on August 26th? A. That is right.

Q. They look like any other ten-dollar bill to you, is that correct? A. Yes, sir. [35]

Q. I don't like to ask this question, Mrs. Wyatt, but it is necessary for me to do so: Did you plead guilty to an offense involving counterfeit money?

(Testimony of Bonnie Ruth Wyatt.)

A. Yes, sir.

Mr. Larsen: That is all.

Mr. Steele: Have you been sentenced for that offense?

The Witness: Yes, sir.

The Court: I will bring out the facts.

I gave you probation, did I not?

The Witness: Yes, sir.

The Court: All right.

(Witness excused.)

The Court: Call another witness.

I will have to run into the noon hour because of the other civil matter I have to hear.

Mr. Steele: All right.

The Court: There is one question I do not think either of you asked. Nobody asked Mrs. Wyatt whether she was present when any discussion was had about dividing the money.

Mrs. Wyatt, you were not present at any discussion between your husband and the defendant?

Mrs. Wyatt: No, sir.

Mr. Steele: Mr. Didier. [36]

### JOHN D. DIDIER

called as a witness by and on behalf of the Government, having been first duly sworn, was examined and testified as follows:

The Clerk: What is your name, please?

The Witness: John D. Didier.

(Testimony of John D. Didier.)

Direct Examination

By Mr. Steele:

Q. What is your occupation?

A. Restaurant owner.

Q. Where is your restaurant located?

A. It is 10714 East Whittier Boulevard, Whittier.

Q. Were you a restaurant owner on August 26th of this year?           A. I was.

Q. Were you present at your restaurant on that day?

A. Off and on, most of the day, yes, sir.

Mr. Larsen: I beg your pardon. What was the date, counsel?

Mr. Steele: August 26th of this year.

Q. (By Mr. Steele): Who are your employees there? Or let's strike that question.

Who were your employees on August 26th of this year?

A. Well, I would have to look up the pay-roll book to tell you definite.

Q. Who was your bartender at that time? [37]

A. Well, there was Chester Morris and Carl Miller bartending.

Q. Who were the waitresses?

A. Mary Morris. Mary Morris was a waitress. And Ruth Fickett.

Q. Are you your own cook or chef, or have you a cook?           A. I had a cook at that time.

(Testimony of John D. Didier.)

Q. Who was the cook?

A. Mrs. Ruth Shope.

Q. Have you seen the defendant before?

A. I believe I seen him in there one evening, yes.

Q. Do you recall the day?

A. Well, I don't. I couldn't recall the day, whether it was—it was the day that they was picked up in Pasadena. I know that definitely.

Q. It was the day of the arrest of Mrs. Wyatt?

A. Yes.

Q. About what time of the day did you see the defendant in the restaurant?

A. It was in the evening, I would say around—between 6:00 and 7:00 o'clock.

Q. Are you customarily in the restaurant in the evening?

A. Practically every evening, yes.

Q. Had you ever seen the defendant there before? [38]

A. Never had.

Q. Was the defendant alone or was he accompanied by others?

A. No. He was accompanied with others.

Q. Do you recall who the persons were that he was with, if you know?

A. I wouldn't know them. There was a couple of ladies with him. Who they were, I don't know.

Q. How long was the defendant there?

A. Well, I wouldn't know. He was there when I got there and I don't think he was there over an hour after I got there.

Q. Did you observe the defendant was being served? Was he eating or just drinking?



(Testimony of John D. Didier.)

A. Well, he was doing both. What I observed about him was sort of a nervous type, getting up and going out and in. That is why I noticed the man more than I would have anyone else.

Q. Did you see the defendant after that date, at any time?      A. Never have.

Q. Did you have any conversation with the defendant?      A. No, sir.

Q. Did you overhear any conversation he had with anyone else at that time? [39]

A. No, never did.

Q. Did you observe the defendant leave?

A. No, I didn't see how he left or with who.

Q. Did you observe any of your employees conversing with the defendant?

A. Well, he was setting at the table. I think Mary, the waitress, was waiting on him. It is sort of a relative bunch there. I couldn't say what the conversation was.

Q. You saw there was a conversation?

A. What the conversation was I wouldn't know.

Mr. Steele: That is all. You may cross-examine.

Mr. Larsen: I have no questions.

The Court: Step down.

(Witness excused.)

Mr. Steele: Your Honor, this witness would like to be excused.

The Court: Surely. He may be excused and go about his business.



(Testimony of Ruth Shope.)

Q. With the jacket? A. Yes.

Q. Where did you see him?

A. At the cafe.

Q. Now, what time of the evening was it that you saw him?

A. Well, I would say it was between 6:30 and 7:00 o'clock.

Q. Can you tell us who was present at that time?

A. Well, naturally, it was a cafe and there were lots of people there.

Q. Was there anyone with the defendant?

A. Yes.

Q. Do you know who was with the defendant?

A. Yes.

Q. Will you tell us who it was? [43]

A. Yes. Eleanor Shaw and Marie Taylor.

Q. At that time were you introduced to the defendant?

A. At that time, and the only time I ever met him, I was introduced to him as Jimmie.

Q. You were introduced as what?

A. Jimmie.

Q. You had never seen the defendant before that time? A. Never before.

Q. Can you give us the hours, Mrs. Shope, you worked in the cafe?

A. Well, yes, I almost made it my headquarters. I went at 11:00 in the morning and was there until about 2:00 in the morning.

Q. Were you customarily there in the evening from 5:00 to, say, 8:00? A. That is right.

(Testimony of Ruth Shope.)

Q. You had never seen the defendant in that cafe before?           A. No.

Q. Did you have any further conversation with the defendant at that time?

A. No, not with him, particularly.

Q. Mrs. Shope, did you see John Wyatt at the cafe that night?

A. Yes, I saw him that night. [44]

Q. Approximately what time did you see him?

A. Well, I don't remember seeing Johnny until about 10:00 o'clock.

Q. Can you tell us what he was doing?

A. Well, he just came in and I was in the kitchen, and when I came out of the kitchen he was talking to my daughter Mary.

Q. At the time you saw the defendant, did you also see Mr. Morris working at the bar?

A. Yes. Mr. Morris was at the bar.

Mrs. Bulgrin: I believe that is all.

Cross-Examination

By Mr. Larsen:

Q. Mrs. Shope, had you known Mr. Wyatt prior to that evening?

A. Mr. Wyatt is my son-in-law.

Q. Had you known Miss Taylor prior to that evening?           A. Yes, I had.

Q. Is she any relation to you?           A. None.

Q. Had you known Miss Shaw prior to that evening?           A. Yes.

(Testimony of Ruth Shope.)

Q. Is she any relation to you?

A. No, not to me.

Q. Did you see any person with the defendant, other [45] than Miss Shaw and Miss Taylor?

A. No.

Q. How long previous to that evening had you known Miss Shaw?

A. I have known Miss Shaw for 15 years.

Q. Will you describe her appearance, please?

A. Well, she is a heavy-set woman about 180, I would say, something like that; a little shorter than I am, and heavy-set. Very nice appearing woman.

Q. How old would you estimate her to be?

A. About 39, I would say.

Q. What about Miss Taylor, would you describe her?

A. She was a much larger woman, taller.

Q. Larger than 180?

A. Yes, I would say; pretty close to 200.

Q. How old would you say she was?

A. I would say she ranged in about the same age, maybe a year or two younger.

Q. You didn't see another man in the company of these two girls and the defendant that evening?

A. No, I didn't.

Q. Where was the defendant with these two girls? A. At a table in the cafe.

Q. Eating?

A. No, they just had a few drinks. [46]

Q. During the time they were there, did Mr. Wyatt come in? A. No.

(Testimony of Ruth Shope.)

Q. How much later was it that he came in?

A. Well, like I say, I saw the defendant and the girls about 6:30 or 7:00, and I didn't see Johnny until about 10:00.

Q. Did the defendant and the girls come in together, or do you know?

A. I don't know. I was in the kitchen, but when I came out they were sitting at the table.

Q. Did you see anyone or all of them depart?

A. Yes, they all left together.

Q. They left together? A. Yes.

Q. There still was no man with them?

A. No.

Q. At any time that evening did you see a man known to you by the name of Joe? A. Never.

Q. With Miss Taylor or Miss Shaw?

A. No.

Q. Within a week previous to the 26th did you see Miss Taylor or Miss Shaw in that restaurant with a man known to you by the name of Joe?

A. No. [47]

Q. Did you know an individual by the name of Joe who was keeping company with either one of these two young ladies? A. No.

Q. Do you know whether or not your son-in-law was a friend of this man?

A. I don't know. I never heard of a Joe.

Mr. Larsen: That is all.



(Testimony of Ruth Shope.)

Redirect Examination

By Mrs. Bulgrin:

Q. Just a couple of questions. On August 26, 1949, Mrs. Shope, were either of those two girls living at your house? A. Not at my house, no.

Q. Do you know where they are at the present time? A. No, I don't.

Mrs. Bulgrin: That will be all.

Mr. Larsen: Just a moment, your Honor. This is not strictly recross-examination. There are two questions.

The Court: Do not argue about it. You are taking time. I have not stopped you.

Mr. Larsen: Did you know a party by the name of Phil Balentine?

The Witness: No.

Mr. Larsen: Who was keeping company with Miss Shaw or Miss Taylor? [48]

The Witness: No.

Mr. Larsen: Who was a friend of your son-in-law?

The Witness: No.

Mr. Larsen: That is all.

The Court: Step down. You may be excused.

(Witness excused.)

The Court: Call your next witness.

Mr. Steele: Mrs. Morris.



MARY GERTRUDE MORRIS

called as a witness by and on behalf of the Government, having been first duly sworn, was examined and testified as follows:

The Clerk: What is your name, please?

The Witness: Mary Gertrude Morris.

Direct Examination

By Mr. Steele:

Q. Where do you live, Mrs. Morris?

A. 7502 Dixie Drive, in Whittier, California.

Q. Where are you employed presently?

A. I am not employed now.

Q. Were you employed August 26th of this year?

A. Yes, sir.

Q. Where were you employed?

A. Johnny's Cafe.

Q. Is that the cafe of Mr. Didier?

A. Yes. [49]

Q. In Whittier?

A. Yes.

Q. You were employed there as a waitress?

A. Yes.

Q. Have you seen the defendant before?

A. Yes.

Q. When did you first see the defendant, if you recall?

A. The night of August 26th?

Q. Where?

A. At Johnny's Cafe.

Q. Was he a customer there?

A. Yes.

Q. Did you serve him?

A. Yes.

Q. What did you serve him?

A. I served him two glasses of beer.

(Testimony of Mary Gertrude Morris.)

Q. Did you observe him when he arrived at the restaurant? Did you see him come in, that is?

A. No.

Q. Was he there when you went to work?

A. No.

Q. He came in sometime then while you were engaged in your duties as a waitress?

A. Yes.

Q. That evening? [50] A. Yes.

Q. Was he accompanied by anybody?

A. Two women.

Q. Do you know who they were? A. Yes.

Q. Who were they?

A. Eleanor Shaw and Marie Taylor.

Q. Were you acquainted with Eleanor Shaw?

A. Yes.

Q. Do you know Marie Taylor? A. Yes.

Q. Did you have any conversation with the defendant that evening?

A. No. I was just introduced to him.

Q. Who introduced you to him?

A. Eleanor.

Q. Do you know where Eleanor Shaw is now?

A. No.

Q. Do you know where Marie Taylor is now?

A. No.

Q. If you know, where was Eleanor Shaw living at that time?

A. I believe she was living with my sister.

Q. Did you observe the defendant leave the restaurant?

(Testimony of Mary Gertrude Morris.)

A. Yes. He left with Eleanor and Marie. [51]

Q. About what time was that, if you recall?

A. I would say about 7:30 or 8:00.

Q. Did you observe John Wyatt come in that evening?

A. No, not until about 10:00.

Q. He came in later on in the evening?

A. Yes, about 10:00.

Q. How was the defendant introduced to you?

A. As Jimmie.

Q. Do you know his last name? A. No.

Q. Had you ever seen the defendant there before?

A. No, I hadn't.

Q. How long had you worked there prior to August 26th?

A. About two or three months.

Mr. Steele: That will be all.

The Court: Cross-examination

Cross-Examination

By Mr. Larsen:

Q. Mrs. Morris, you were employed as a waitress?

A. Yes, sir.

Q. It was your husband who was the bartender?

A. Yes.

Q. Did you have any other relatives connected with this cafe?

A. My mother. [52]

Q. Who is she? A. Mrs. Shope.

Q. The lady who just testified? A. Yes.

Q. How long had you known these young ladies, Miss Shaw and the other lady?

A. I have known Eleanor for a long time.

Q. How long?

(Testimony of Mary Gertrude Morris.)

A. About as long as my mother has, about 15 years.

Q. Are they related in any way? A. No.

Q. Mr. Wyatt must be some relation of yours, is that right?

A. Mr. Wyatt is my brother-in-law.

Q. Mr. Wyatt is your brother?

A. My brother-in-law.

Mr. Larsen: Thank you, Mrs. Morris.

The Court: All right. Now we have all the family straightened out. Step down.

(Witness excused.)

The Court: Call your next witness.

All the witnesses may be excused when they are through.

Mr. Steele: Mr. Carli. [53]

### VICTOR D. CARLI

called as a witness by and on behalf of the Government, having been first duly sworn, was examined and testified as follows:

The Clerk: What is your name, please?

The Witness: Victor D. Carli.

### Direct Examination

By Mr. Steele:

Q. What is your occupation?

A. Agent, United States Secret Service.

Q. Were you so employed on August 26th of this year? A. Yes, sir.



(Testimony of Victor D. Carli.)

Q. How long have you been with the Secret Service, Mr. Carli?

A. About twelve and a half years.

Q. I place before you Government's Exhibit No. 1 for identification. It includes A, B, C, and D. Would you examine that exhibit, please?

A. (Witness complies.)

Q. Have you examined all of them?

A. I went through them, yes. They all have my initials on them.

Q. Have you seen those items before?

A. Yes, sir, I have.

Q. Where did you first see them?

A. These here were found in an automobile, in a [54] Studebaker President automobile with Indiana license plates, in Pasadena, California, on Raymond Avenue near Colorado Boulevard.

Q. Were they found there by you?

A. With other agents and police officers of the Pasadena Police Department.

Q. Who else was present, if you can recall, when they were found?

A. Agents George Schnelbach from our office and Fred C. Wasson, the agent in charge, from the Secret Service office, and Clifton Wright of the police detectives of the Pasadena Police Department.

Q. When were they found?

A. On the evening of August 26, 1949.

Q. Will you tell the jury the circumstances under which you obtained these items?



(Testimony of Victor D. Carli.)

A. We had proceeded to Pasadena Police Department on a call that they had.

The Court: You cannot tell what they told you. You must say that you got directions to do something. Tell us what you did.

The Witness: We proceeded to Pasadena Police Department, and there we interviewed Bonnie Ruth Wyatt.

The Court: That is where you started.

The Witness: And she was then under arrest for passing [55] counterfeit notes. In questioning her she told us she had driven the automobile car in company with another person whose name she would not reveal at the time, and that the car was down on Raymond Avenue, and that there were some more counterfeit notes in the car.

Q. (By Mr. Steele): What did you do then?

A. With the aforementioned persons we went down to the car and we forced the door open.

Q. The car was locked?

A. The car was locked, yes, sir. We forced the door open and found these counterfeit ten-dollar notes in the car.

Q. They are counterfeit ten-dollar notes?

A. Yes, sir.

Q. What is there about the note which reveals it is counterfeit in nature, to you? First, I will strike that question.

You have had occasion in the course of your service to examine notes before, have you, to deter-

(Testimony of Victor D. Carli.)

mine their nature, whether counterfeit or genuine?

A. Yes, sir.

The Court: All of you gentlemen have taken a course, is that not a fact? When you begin work in the Department and are assigned to that work, you take a course?

The Witness: Yes.

The Court: Which aims to acquaint you with the various [56] methods of detecting flaws in bills, is that true?

The Witness: That is correct.

The Court: All right.

Q. (By Mr. Steele): What is there about these notes which reveals to you their counterfeit nature?

A. In the first place, these bills here all have the same serial number, which is not so on genuine bills.

Q. No two genuine bills have the same serial number, is that correct?

A. That is correct. Also, these bills are not printed on the genuine government paper. They don't have the silk fibers as you would see in the genuine paper put out by the Government.

Also, the printing on the notes is not in conformity with the genuine notes. The notes are not clear. They are smudgy. The back of the note is not clear. I can tell right away by looking at it it is not genuine, by experience.

The Court: Can you tell by what process this was printed?

(Testimony of Victor D. Carli.)

The Witness: It appears to be lithographed.

The Court: It is not a photo?

The Witness: Photo-engraving process. They are all made that way. That is how they make their plates. The printing is lithograph.

The Court: Wherein does that differ from the Government's [57] method?

The Witness: The printing of the Government is made by a flat-bed press. In other words, they are made by intaglio plates.

Q. (By Mr. Steele): Have you seen this man before?      A. Yes, I have.

Q. Where did you first see him?

A. On August 29th in our office in the United States Secret Service in this building here.

Q. He appeared in your office?

A. Yes. He was surrendered to us by his attorney.

Q. Did you see the defendant before today?

A. Yes.

Q. Where did you first see the defendant?

A. I saw the defendant at his place of business, 526½ South Hill Street, on the evening of August 29, 1949.

Q. Who was with you at that time?

A. Agent George Schnelbach and Agent Howard Swinney and Police Detective Clifton Wright, with the Pasadena Police Department.

Q. Did you have any conversation with the defendant, or did anyone have a conversation with him in the presence of you?



(Testimony of Victor D. Carli.)

A. Yes, I had a conversation with him in the presence of other agents. [58]

Q. What did he say and what did you say?

A. I questioned him at the time at 546½ South Hill Street and showed him a photograph of John Wyatt and asked him if that was a photograph of John Wyatt and asked him if he ever saw this person before.

He said, no, he never saw him before in his life; he didn't know him.

Q. Did you advise the defendant at that time he did not need to answer your questions unless he desired, and the answers must be voluntary?

A. I advised him at the time we were federal officers and we were making an investigation pertaining to the counterfeit notes, and he was one of the persons involved, and if he wanted to tell us the truth in the matter he could, and if he didn't, he didn't have to tell us anything.

Q. Proceed with the conversation.

A. I showed him a photograph of John Wyatt, Eleanor Shaw, and Marie Taylor. He said he never saw any of them before in his life.

I asked him if he ever had been at 7219 Whitsett Avenue in Los Angeles. He denied it.

I asked if he had ever been at the Top Rail bar. He said he had never been there in his life.

We asked him if he had a Chrysler automobile and he said yes. He took us to the location where the car was, and we [59] searched his car and nothing was found.



(Testimony of Victor D. Carli.)

Then he drove us to his home, I think it was 333½ West 66th—West 68th Street, Los Angeles. Or was it East 68th Street? Possibly East 68th. He gave us consent to search his place. In fact, he said he just moved in that day or the day before and he just moved from another location.

Q. Did you have any conversation with the defendant at that time concerning the Didier restaurant in Whittier? A. Not at that time, no.

Q. You searched his domicile at that time?

A. Yes.

Q. You found no counterfeit money?

A. No counterfeit money was found.

Q. When did you next talk to the defendant?

A. The following day.

Q. Where?

A. At our office in Los Angeles.

Q. Who was present at that time?

A. There were Agents George Schnelbach, who was there, and Agent Howard Swinney and Agent Harold Polenz was there part of the time.

Q. What was said by the defendant to you and what did you say to the defendant? What was said by the defendant in your presence?

A. At that time we confronted him with John Wyatt. [60]

Q. John Wyatt was there at that time, too?

A. That is right.

Q. What was the conversation?

A. We asked John Wyatt if he knew this man before, and he said yes.

(Testimony of Victor D. Carli.)

And asked John Wyatt to relate under what circumstances he knew him. He stated he was the man that delivered the 150 counterfeit ten-dollar notes to him on Friday morning, August 26th. He denied ever seeing John Wyatt before in his life, the defendant did.

He said he didn't know him, never saw him before in his life. After some more questioning he finally admitted he knew the defendant John Wyatt but that he did not deliver counterfeit notes to him. He had been to his home there. He was brought by another person by the name of Joe.

We asked who Joe was, and he stated he didn't know. He said he knew him by the name of Joe. He knew him by the name of Phil. He thought the name was something like Bellenti or Ballenti. He didn't know his last name. He said that Joe was in his employ at various times for several weeks, and he had been to his home, but he didn't know who he was, that is, his last name. He described him to us.

Q. Any further conversation?

A. Not that I recall on that date. There was other conversation—— [61]

Q. Do you recall asking him anything about Eleanor Shaw or Marie Taylor? A. Yes.

Q. At that time?

A. Yes. We showed him a photograph of Eleanor Shaw and Marie Taylor at that time. He admitted he knew them, he met them at the house at 7219 Whitsett Avenue in Los Angeles.

(Testimony of Victor D. Carli.)

Q. Did he say when?

A. He said he was taken there by Joe, that introduced him to them, a person named Joe.

Q. Did he say when that occurred with respect to August 26th?

A. Within a few, two or three days before he was arrested by us.

Q. Do you know where Eleanor Shaw and Marie Taylor are now?           A. No, I don't.

Q. Have you had any other further conversation with the defendant that you recall since that date?

A. Yes, Agent Schnelbach and I talked to him at the Los Angeles County Jail a few days——

Q. When was that?

A. I don't remember the exact date. I think about four or five days after his arrest.

Q. Who was present? [62]

A. Agent George Schnelbach and myself, and the defendant.

Q. What did you say and what did the defendant say?

A. I questioned him relative to having gone to Johnny Didier's restaurant, Johnny's Cafe, at Whittier Boulevard.

He said he had never been there before.

I said, "Wait a while. We know people that can identify you." They had identified his photograph.

Q. He said he had never been there in his life?

A. Yes.

Q. Proceed.

A. I told him people identified his photograph.



(Testimony of Victor D. Carli.)

He said, "Yes, I was out there. I was out there with Joe."

We said, "Who else?"

He finally said he was out there with Eleanor Shaw and Marie Taylor.

Q. Did he say when he was out there?

A. On the night—he didn't say the exact night. He said it was in a few days before we arrested, a night of the preceding week, before we arrested him.

Q. Did he express any reason for being there?

A. No reason at all, only that Joe told him to go out there with him.

Mr. Steele: At this time, your Honor, I wish to offer in evidence Government's Exhibits 1-A, 1-B, 1-C, and 1-D. [63]

The Government: They may be received.

The Clerk: Government's Exhibits 1-A, 1-B, 1-C, and 1-D received in evidence.

(The documents referred to, previously marked Government's Exhibits Nos. 1-A, 1-B, 1-C, and 1-D, respectively, were received in evidence.)

Mr. Steele: You may cross-examine.

#### Cross-Examination

By Mr. Larsen:

Q. Mr. Carli, when you arrested the defendant, did you tell him what he was suspected of?

A. I told him right away, it was relative to the counterfeit notes.



(Testimony of Victor D. Carli.)

Q. What did he say?

A. He said he didn't know anything about them.

Q. Did you tell him that you had others under arrest?

A. Yes, sir.

Q. For the same thing?

A. Yes, sir, I did.

Q. Did you tell him that you had Mr. and Mrs. Wyatt under arrest for having counterfeit notes?

A. No, I didn't tell him we had Mr. and Mrs. Wyatt under arrest for having counterfeit notes.

Q. How long after Mrs. Wyatt was arrested was it before the defendant Schiros was arrested?

A. Mrs. Wyatt was arrested on Friday evening, August [64] 26th, and Carl Schiros was arrested on the evening of August 29th, Monday night.

Q. I see. After he was arrested did you tell him that you had Mr. and Mrs. Wyatt under arrest or locked up?

A. Not right away. We told him that, I believe, the following day.

Q. Did you ask him anything about Mr. and Mrs. Wyatt before you told him that they were under arrest?

A. I just showed him the picture of John Wyatt and asked him if he knew him. He said he never saw him before in his life.

Q. Where were you when you showed him that picture of John Wyatt?

A. In a government automobile.

Q. In a government automobile?

(Testimony of Victor D. Carli.)

A. That is right.

Q. What time of day or night was it?

A. It was about 6:00 o'clock in the evening, August 29th; it was daylight.

Q. Was it a picture of both Mr. and Mrs. Wyatt?

A. No. It was a picture of John Wyatt. I showed him a picture of Mrs. Wyatt the next day, not that day.

Q. That automobile you were in was a sedan?

A. Yes.

Q. When was it that you confronted the defendant with [65] Mr. Wyatt?

A. It seems to me, if my memory serves me right, it was the following day.

Q. Where were you at that time?

A. In our room upstairs, in Room 754.

Q. When the defendant was confronted with Mr. Wyatt, what did he say?

A. He said he never saw him before in his life.

Q. How long did he continue to deny the acquaintance?

A. For about 15 or 20 minutes.

Q. At the end of that time, what did he say?

A. Then he admitted knowing him, but he said, "I never sold him any counterfeit notes like he said I did. I was over to his house. I knew his sister. I was brought there by Joe. I knew his sister, Eleanor Shaw. I met him at his house on Whitsett Boulevard."

(Testimony of Victor D. Carli.)

Q. Did you know who this Eleanor Shaw was?

A. I did then, yes.

Q. She was related to Mr. Wyatt?

A. She is Wyatt's sister. That is from what John Wyatt tells me.

Q. Did you know at that time of an individual by the name of Joe?

A. Only what I have heard through other sources and through what the defendant has told me. [66]

Q. Had you known this Joe previously?

A. No, I didn't know about Joe previously.

Q. Did you find out anything about Joe from Mr. Wyatt?

A. They said they never knew Joe. They questioned him on it.

Q. Did you question him about a Phil Ballenti or Phil Vallenti?

A. Question the defendant?

Q. No. Mr. Wyatt. A. Yes.

Q. What did he say?

A. He didn't know him

Q. You say you searched the defendant's home?

A. Yes, sir.

Q. You found no spurious money there at all?

A. No, none was found.

Q. Did you search his place of business?

A. I didn't search it. Some of the other agents searched his place of business.

Q. Where was the place of business?

A. 526½ South Hill Street.

(Testimony of Victor D. Carli.)

Q. What kind of business is that?

A. Known as Carl's Frosty Place. He sells ice cream and such as that.

Q. Directing your attention to one portion of the [67] Government's first exhibit in evidence, which appears to be a representation of a ten-dollar bill, will you explain to the jury wherein that differs from a regularly minted government ten-dollar bill?

A. Where it varies?

Q. Yes.

A. In the first place the serial number on this bill doesn't vary. It looks like a genuine bill. That is the reason it is counterfeit. It is a very good production of a counterfeit.

Q. Taking that bill alone, were you not to see it with the other 149, and disregarding the serial number——

The Court: Give any unusual things that show.

The Witness: There is nothing unusual about the bill to the average person, only that the portrait, the eyes are not clear. The lathe work is not very clear. The average person would take that as a genuine note.

The Court: In the language of the movies, it is a good facsimile thereof ?

The Witness: It is a very good facsimile. There is a very good note.

Q. (By Mr. Larsen): Is there anything about the printing of the bill that differs from the regulation ten-dollar bill?



(Testimony of Victor D. Carli.)

A. Well, to my eyes, knowing counterfeit bills, having a lot of experience with them, I see the hair is a little [68] grayer. It should be darker—whiter than it is, than being gray as it is. The printing is not clear. The seal is a little different in the color green as the genuine bills have. The back of the note is not as clear as a genuine note. So far as the note itself is concerned, it is a very good counterfeit.

Q. What about the letters?

A. The serial numbers?

Q. No. The lettering, for example, in "United States of America," is there anything about that which would differ from the regulation ten-dollar bill?

A. None that I notice.

Q. Is there anything about the color of ink on the back side of the bill which would designate it to be counterfeit?

A. No, there is nothing on there that would designate it to be counterfeit.

Q. Is there anything about the color of the ink on the green side of the bill that would show it to be counterfeit?

A. Nothing on there, only, like I say, the bill itself is not clearly printed, as it should be.

Q. In other words, you could clearly distinguish that bill from the good bill which I have handed you?

A. That is correct.

Q. By the picture, chiefly, is that correct? [69]

A. That is right, by the picture and the back

(Testimony of Victor D. Carli.)

of the note, also, see how clear and distinct it is.

Q. All right, sir. Is there anything regarding the large capital letter at the left-hand side of the picture on the bill, which would indicate it to be spurious?

A. No. That would not designate it as a counterfeit.

Q. Those letters vary from issue to issue?

A. It all depends on what Federal Reserve district that issues the bill. San Francisco is your Twelfth Federal Reserve District, and the letter in the left-hand corner would be L, for the reason that L is the twelfth letter in the alphabet.

Q. You say there is a substantial difference in the paper texture?

A. That is correct. It is not the genuine paper. Our government paper has silk fibers. This bill does not.

Q. This bill does not?                      A. No.

Mr. Larsen: That is all.

The Court: Is there any redirect examination?

Mr. Steele: No.

The Court: Step down.

(Witness excused.)

The Court: Call your next witness.

Mr. Steele: Mr. Schnelbach, please. [70]

## GEORGE SCHNELBACH

called as a witness by and on behalf of the Government, having been first duly sworn, was examined and testified as follows:

The Clerk: Please state your name.

The Witness: George Schnelbach.

## Direct Examination

By Mr. Steele:

Q. What is your occupation?

A. Agent, U. S. Secret Service.

Q. How long have you been so employed?

A. I have been in the Secret Service 12 years.  
I have been an agent for seven years.

Q. You were so employed on August 26th of this year? A. Yes.

Mr. Steele: Will you stand up, Mr. Wyatt, please?

(Mr. Wyatt complies.)

Q. (By Mr. Steele): Have you seen Mr. Wyatt before? A. Yes, I have.

Q. Have you seen the defendant before?

A. Yes.

Q. Where did you first see the defendant?

A. I first saw the defendant at his place of employment, or his Carl's Frosty, which he operated at 5261½ South Hill, Los Angeles.

Q. He was the proprietor of that establishment?

A. That is right.

Q. Who was present on that occasion?

(Testimony of George Schnelbach.)

A. Agent Victor Carli and Agent Howard Swinney.

Q. When was that?

A. That was on August 29, 1949, about 6:00 o'clock in the evening.

Q. Directing your attention to Government's Exhibit 1 in evidence, I want you to examine that, if you will, please, the contents of those envelopes. Have you seen those before?

A. Yes, I have.

Q. Where did you first see those objects?

A. Well, I first saw the 17 of them at Pasadena, which were confiscated from Bonnie Wyatt.

Q. Who had them in their possession at that time?

A. Detective Clifton Wright of the Pasadena Police Department.

Q. Will you explain to the jury where you first saw the others?

A. The other 56 were taken out of the automobile which belonged to Chester Morris, on the evening of August 26, 1949.

Q. At Pasadena?                      A. At Pasadena.

Q. You have heard the testimony of Mr. Carli, who testified, I believe, that the car was broken in; is that substantially what happened? [72]

A. That is right.

Q. That is where you found these bills?

A. Yes.

Q. Have you had occasion to examine the bills closely since that time?



(Testimony of George Schnelbach.)

A. Yes, I have, and my initials are on the bills.

Q. As a member of the Secret Service you have undergone a course of training in detecting counterfeit and spurious coin?      A. Yes.

Q. You have examined the bills?      A. Yes.

Q. As a result of your examination, was your opinion——      A. They are all counterfeit.

Q. What leads you to that conclusion?

A. An over-all comparison of a genuine note is the best way to determine a counterfeit note. These aren't printed on genuine paper. They all bear the same serial number, which, naturally, a genuine bill has different serial numbers. The general workmanship of the note is poor.

Q. Getting back to the first time you saw the defendant——

The Court: Let us bring the bills to their present container. I do not think you had the other witness testify to that. Let us have this witness testify to that.

Q. (By Mr. Steele): The bills were given over to your [73] custody at that time in Pasadena?

A. Yes, they were.

Q. Your custody and Mr. Carli's, or your own?

A. Mr. Carli and Mr. Wasson's, the agent in charge.

Q. You all three were from the office?

A. That is right.

Q. What did you do with the bills after you left Pasadena?

(Testimony of George Schnelbach.)

A. They were taken to our office and kept in our safe.

Q. By you? A. That is right.

Q. That is, the three of you? A. Yes.

Q. And kept in your safe for how long?

A. Until they were turned over to the United States Attorney's office.

Q. What time was that?

A. That I can't tell you, unless I would look at the report that was written to you.

Q. Can you fix the time by some event?

The Court: Can you tell by the containers? Is there any indication on the envelopes?

The Witness: No, I couldn't tell from these, your Honor.

The Court: Did you place them in those envelopes? [74]

The Witness: Yes.

The Court: Those envelopes were turned over to the United States Attorney's office?

The Witness: That is right. These notes all bear our initials for identification purposes.

The Court: All of those?

The Witness: Yes.

The Court: They are, so far as you can tell, in the same condition, in the same containers they were when they left your possession and were turned over to the United States Attorney?

The Witness: Yes.

The Court: Each of the bills, in addition to that, has an identifying mark of all three of you?

(Testimony of George Schnelbach.)

The Witness: Yes.

The Court: They bear your own initials?

The Witness: Yes.

The Court: I think that is sufficient. I merely wanted to bring that up at the present time, rather than having it suspended in the air.

Mr. Steele: Thank you, your Honor.

Q. (By Mr. Steele): Directing your attention to the first time you saw the defendant, I believe you stated that was at his place of business on a certain day at a certain time. Did you have any conversation or did anyone with you [75] have any conversation with the defendant at that time?

A. I was accompanied by Agent Carli and Agent Swinney at that time, and the defendant was informed we were investigating a matter pertaining to the passing of counterfeit notes. He was questioned and, as Mr. Carli stated, he was taken to his car and we searched his car.

We found no contraband of any kind.

He then took us to his home in his own car and we searched his home with his permission and found no evidence of any contraband there.

Do you want me to continue on?

The Court: Go ahead.

The Witness: Later that evening we took Carl Schiros to the office and questioned him further, and that same night, about 11:00 o'clock, approximately 11:00 p.m., John Wyatt came to the office at our request. He identified Carl Schiros as the



(Testimony of George Schnelbach.)

person who delivered \$1500.00 in counterfeit notes to him on the morning of August 26, 1949.

The next day Carl Schiros was again questioned at our office and confronted with John Wyatt, at which time John Wyatt positively again identified Carl Schiros as the person who delivered these counterfeit notes to him.

Q. (By Mr. Steele): At that time did the defendant deny——

The Court: Do not ask him a leading question. Ask him [76] what he said. What did Schiros say?

Q. (By Mr. Steele): What did the defendant say at that time?

A. The defendant denied he had delivered any counterfeit notes to the—to John Wyatt.

Q. Anything else?

A. Well, he admitted he had been to his home on one occasion, and met his wife. This was after we had questioned him for a while. At first he denied everything, on the night of August 29th he denied everything.

The Court: What do you mean by “everything”?

The Witness: He denied that he knew John Wyatt, or denied he had ever seen him before, or that he had ever been to his home.

Q. (By Mr. Steele): Did you have any further conversation with the defendant after that?

A. There were several times that I talked to the defendant after that, with Agent Carli, and



(Testimony of George Schnelbach.)

while he was confined in the Los Angeles County Jail and while he was released on bond.

Q. Was there ever anyone present, other than yourself and Agent Carli and the defendant, on those occasions?

A. I may have been alone when I talked to him sometimes.

Q. Do you recall anything that was said by you to the defendant or by the defendant to you on those occasions? [77]

A. Nothing in particular that would reflect any further on the delivery of the notes.

Mr. Steele: That is all. You may cross-examine.

#### Cross-Examination

By Mr. Larsen:

Q. The defendant denied at all times he had anything to do with the notes, didn't he?

A. Yes, he did.

Mr. Larsen: That is all.

The Court: Step down.

(Witness excused.)

The Court: Call your next witness.

Mr. Steele: Mr. Morris.

#### CHESTER MORRIS

called as a witness by and on behalf of the Government, having been first duly sworn, was examined and testified as follows:

The Clerk: What is your name, please?

The Witness: Chester Morris.

(Testimony of Chester Morris.)

Direct Examination

By Mr. Steele:

Q. Mr. Morris, what is your occupation?

A. Bartender.

Q. Where are you employed?

A. Johnny Didier's Cafe.

Q. In Whittier? [78] A. Whittier.

Q. Were you employed there on August 26th of this year? A. Yes, sir.

Q. Have you seen the defendant before?

A. Yes, sir.

Q. When did you first see the defendant?

A. August 26th, around 6:30, 7:00 o'clock in the evening.

Q. Where? A. Johnny Didier's Cafe.

Q. Did you notice whether he was accompanied by anybody there?

A. He was accompanied by two women.

Q. Did you observe him come into the place?

A. No, I didn't.

Q. Was he there when you went on duty?

A. No, sir.

Q. You know the persons who were with him?

A. Yes.

Q. Who were they?

A. Marie Taylor and Eleanor Shaw.

Q. Did you have any conversation with the defendant? A. No conversation at all.

Q. You were not introduced to him?

A. No. [79]

The Court: Did you wait on him?

(Testimony of Chester Morris.)

The Witness: I drew his beer for him.

The Court: Did you serve him any drinks?

The Witness: I drew his beer for him.

The Court: You drew his beer for him?

The Witness: Yes.

The Court: You mean he gave an order, did he not?

The Witness: He gave the order to the waitress——

The Court: I see.

The Witness: ——and she told me.

The Court: I thought perhaps you were serving him direct. Go ahead.

Q. (By Mr. Steele): Did you observe the defendant leave the restaurant?      A. Yes.

Q. Did he leave alone or was with someone?

A. All three, Marie Taylor and Eleanor Shaw and the gentleman known as Jimmie.

Q. You have a car, have you?

A. Did have.

Q. Where is your car, if you know, now?

A. U. S. Customs Bureau has it in custody.

Q. Did you have your car on that day? That is, did you have it with you?

A. Yes, up to the time that they borrowed it.

Q. Who borrowed the car?

A. Johnny Wyatt and Bonnie Wyatt.

Q. When did they borrow it that day?

A. It must have been around noon or something like that.

(Testimony of Chester Morris.)

Q. Without telling me what they said, did they tell you why they borrowed it?

A. They wanted the car——

Mr. Larsen: Just a minute. That is hearsay.

Q. (By Mr. Steele): Without stating what they said.

Mr. Larsen: Stating why would be hearsay, if the Court please.

The Court: I think the purpose is material. Furthermore, I think we should be fair to this witness, in protecting any rights he may have. I have in mind a couple of opinions of my own I have written on that subject, relating to any knowledge he may have had.

Mr. Larsen: Very well. I withdraw the objection.

The Court: All right. Go ahead.

Q. (By Mr. Steele): Did he state why he wanted the car?

A. Wanted to borrow the car to go shopping.

The Court: I want to ask a question. The officers may not like it, but I am doing it on purpose.

Did you know at any time that that was to be used for the purpose of transporting any illegal money or taking them [81] about to cash any money?

The Witness: No.

The Court: All right. I did that on purpose. You can tell your lawyer I asked that question. If he knows as much as I think he ought to, he



(Testimony of Chester Morris.)

will tell you it will help you in some future matter relating to the automobile.

Q. (By Mr. Steele): Were you shown any ten-dollar bill or any ten-dollar bills at any time by Mr. Wyatt?

A. No, I wasn't shown any money by Mr. Wyatt except when he busted a ten to have a bottle of beer.

Q. Where was that?

A. In Johnny's Cafe.

Q. Was that on that day? A. Yes.

Q. About what time of the day was it?

A. Well, must have been around 6:30, 7:00 o'clock; when I was on duty.

Q. It was in the morning?

A. No, in the evening.

Q. You said that was Wyatt that purchased some beer that night? A. That evening, yes.

Q. 6:30 or 7:00, you think?

A. I don't know. It was dark outside.

Q. Let me ask you this question: Was it at a time [82] when the defendant was in the cafe?

A. No, sir.

Q. Was it before or after the defendant had been there that Wyatt broke this ten-dollar bill, if you remember? A. I believe it was after.

Mr. Steele: You may cross-examine.

#### Cross-Examination

By Mr. Larsen:

Q. What were you working, what hours, on the 26th?

(Testimony of Chester Morris.)

A. 4:00 in the afternoon to 2:00 in the morning.

Q. Do you know how long after you came to work it was that Mr. Wyatt came in?

A. It must have been at least three hours or more.

Q. In other words, it might have been around 7:00 o'clock? A. I never looked at the clock.

Q. Do you know, of your own knowledge, whether he came in before or after Mr. Schiros?

A. He came in after Mr. Schiros was there.

Q. How long after?

A. Well, half an hour or an hour that I recognized him there.

Q. Now, this lady who previously testified, Mrs. Morris, is your wife? A. Yes, sir. [83]

Q. She was working out there that evening?

A. Yes, sir.

Q. The proprietor of the cafe is no relative, is he? A. No, sir.

Q. Now, is Mr. Wyatt related to you in any way?

A. I guess he is a brother-in-law. We married sisters.

Q. His wife, Mrs. Wyatt, would be related to you? A. Yes.

Q. Mrs. Shope is related to you? A. Yes.

Q. What about Eleanor Shaw, is she related?

A. No relation.

Q. Did you know her? A. Yes, sir.

Q. How long have you known her?

A. About since 1943.

(Testimony of Chester Morris.)

Q. Did she room or live with any of your relatives?

A. No—she stayed with Wyatt, Johnny Wyatt, my brother-in-law, for awhile.

Q. She stayed with your brother-in-law and his wife?

The Court: Do not repeat the answers, Mr. Larsen.

Mr. Larsen: I am sorry, your Honor.

The Court: Everyone does it, though.

Mr. Larsen: It is a bad habit. I have done it for 25 years. [84]

The Court: As you grow older you will have to drop it.

Mr. Larsen: I must.

Q. (By Mr. Larsen): What about Marie Taylor, is she related to you? A. No, sir.

Q. Did she live with either or any of your relatives? A. No, she lived alone, I guess.

Q. She never lived with Mr. Wyatt or Mrs. Wyatt?

A. No, not lived. She might have stayed a night or two.

Mr. Larsen: That is all.

The Court: Step down, Mr. Morris.

(Witness excused.)

Mr. Steele: The Government rests at this time.

Mr. Larsen: Take the stand, Mr. Schiros, please.

CARL JOSEPH SCHIROS

the defendant, called as a witness in his own behalf, having been first duly sworn, was examined and testified as follows:

The Clerk: What is your name, please?

The Witness: My name is Carl Schiros.

The Clerk: Do you have a middle name?

The Witness: J.

The Clerk: Does that stand for anything?

The Witness: Joseph.

Direct Examination

By Mr. Larsen: [85]

Q. Where were you living prior to your arrest, Mr. Schiros?

A. I was living at 333½ East 68th Street.

Q. What was your business or occupation at the time of your arrest?

A. I was in the ice cream business.

Q. Directing your attention to Mr. John Wyatt, who has previously testified, do you know him?

A. Well, I met him one time.

Q. When and where did you meet him?

A. I met him in front of his home.

Q. Where was that?

A. Well, I don't recall the street now. I met him, I was introduced to him.

Q. By whom were you introduced to him?

A. I was introduced to him by a Joe Ballenti.

Q. At that time were you introduced to any other person or persons?



(Testimony of Carl Joseph Schiros.)

A. Well, not at that time. That was the second time I was there. The first time that I was there, that I went there with this Joe—you see, this Joe, I met him about eight months ago. He used to hang around the place of business. He used to work a little bit for me.

Well, it so happened at the time he wanted to meet a girl that he hadn't seen for some time, so he asks me if I [86] would drive him down there. Well, either that, or else take my car. So I says, "I will drive you down there." So I drove him down there, and I don't remember the street, but, anyhow, we came to a house and he went inside and he asked me to come in.

So after I went in, I met this girl named Eleanor, a big, fat girl, and another girl that was introduced as—later on found out it was this fellow Johnny Wyatt's wife, and a couple of other kids around there that I didn't know at the time, who they belonged to.

I didn't know the people and I just sat there and didn't have much to say. So then we was there for a little while and this fellow with me, he talked to one of the girls. They went to the kitchen and they talked for a little while, and then they came back and he asked me if I was ready to go, so we left.

I think it was a couple of days later that he wanted to go back down there and told me that—I says, "Look," I says, "no use of me going down there."

(Testimony of Carl Joseph Schiros.)

He says, "Well, let's go down there and take a ride. You ain't doing nothing."

We went down there. This time I didn't go in. I stayed outside in the car and I waited for him. He just went in there and stayed about five minutes, and after he came out this fellow, Johnny Wyatt, he came out, and he was standing [87] by the walk. He says, "This is Jimmie."

Well, where the name Jimmie came from, from the start I meant to say, was that this fellow Joe, when he introduced me, he says, "I want you to meet Jimmie."

Later on, after we went out, I asked him, I says, "What is this Jimmie deal?" I says, "What is the idea of telling them I am Jimmie?"

He says, "You know, after all, you don't want to tell these girls your right name." He says, "You know, you are a married man. Never tell them your right name." I just let it go at that.

So I think it was—might have been the following week, and he says to me, did I want to take a ride with him to a bar to meet the girls? I never did meet this here Marie, supposed to be a girl friend of this other girl.

He says, "I want you to meet her."

So I says, "Well," I says, "I don't know." I says, "You know, I don't know the girl."

He says, "Well, come down there, anyway." So we drove out there.

We kept going out, and when he said Whittier,

(Testimony of Carl Joseph Schiros.)

I knew a street Whittier but I didn't know it was a town. So, anyhow, we went out there, and it must have been about, I would say, around 7:00, 7:30, around there.

So after we went in there he introduced me to this Marie. [88] That was the first time I met her. So we sat down and we had a couple of beers and we were there about 15, 20 minutes, when this fellow walks out with both of the girls. He went out and stayed about 15 minutes and came back. Then we stayed there about, I would say, another 20, 25 minutes, and then we left.

Q. All of you left, all four?

A. No, just me and this fellow.

Q. I see.

A. We left, because I was there with my car. They probably left, because they said they were going to leave right after us. We left first.

We went, and I went outside. We went down—well, I left him home, because I wanted to go home. I left him on Figueroa, Figueroa and Manchester. He wanted to get off there, so I left him off there.

Q. Do you remember what date that was?

A. At the time I was at the bar? A. Yes.

Q. Yes.

A. I believe it was on a Saturday.

Q. How long or how many days after that was it when you were arrested?

A. Well, it wasn't very long after that. I would say maybe a week.



(Testimony of Carl Joseph Schiros.)

Q. Now, previous to the time of your arrest, how many [89] times had you seen Mr. Wyatt?

A. Before I was arrested?

Q. Yes. A. One time.

Q. Had you been introduced to him at that time? A. Yes, sir.

Q. Did you ever on any occasion see Mr. Wyatt in a cocktail bar or a saloon called the Top Rail Cafe or Top Rail Bar?

A. No, sir. I don't even know where it is at.

Q. To the best of your recollection have you ever been in the Top Rail bar? A. Never.

Q. Did you ever at any time give to Mr. Wyatt all or any of the ten-dollar notes which are in evidence? A. No, sir.

Q. When was the first time you saw any of them?

A. Well, the last time when I was at the Federal Building and one of the agents showed me. That was the only time I seen them, and now here.

Q. Had you ever seen them before that time?

A. No, sir.

Q. Did you ever give those bills, or any other money that you knew to be counterfeit, to any person to pass? A. No, sir. [90]

Q. Or keep such bills with the intention of defrauding any person or persons? A. No, sir.

Q. Now, you have heard Officer Carli testify you were shown a picture of Mr. Wyatt, and that you said you did not know the subject of the picture, is that true?



(Testimony of Carl Joseph Schiros.)

A. At the time I didn't. He showed me a picture. I met the man only once before that. He showed me the picture in a car, and I couldn't recognize the picture. That same night when he faced me with Johnny Wyatt, I recognized him right away. I says, "I was over to his house one time."

He says, "You said you didn't recognize him."

I said, "Well, I couldn't recognize the picture." I said, "Now I am faced with him," I said, "yes, I seen him once at his house. I was introduced to him."

Q. He further states, I believe, that he confronted you with the names of Marie and Eleanor and you said you didn't know who they were.

A. He showed me one picture, I believe it was. It could have been this Marie. But I only seen this Marie, like I say, I only seen her one time, and I couldn't recognize her at the time.

Q. How many times were you confronted with Mr. Wyatt after your arrest, if you remember?

A. Well, I confronted him at the Post Office, in the [91] office, one of the agents' office.

Q. Now, were you there when he stated to the officers that you were the person who gave him these bills on the morning of the 26th? Did you hear him say that?

A. You mean the first time?

Q. No. I mean, you heard the testimony of the last officer on the witness stand, did you not?

(Testimony of Carl Joseph Schiros.)

A. Yes, I did.

Q. Where he said that Mr. Wyatt stated, in your presence, that you were the man who gave him the bills. Did you hear him say that or words to that effect? A. I said, "That is the man."

Q. All right. But you had only seen him the one time? A. Yes, sir.

Q. What time of day or night was it you had seen him?

A. It was in the day time. It was about 4:30, 5:00 o'clock.

Q. How long were you in his presence at that time?

A. I was sitting in the car, waiting for this fellow to come out. And he came out with him and he was standing about ten feet away from me, and he just said, "This is Jim."

"Hi," and so forth. And he got in the car and we left.

Q. Incidentally, how long had you known this person that we have been terming "Joe"?

A. Well, about, at the time it would be about six months. [92]

Q. Did you also know him by any other name?

A. Yes. At first, when I first met him, he used to hang around this here place of business. He used to play cards there in the parking lot. My place is—well, it is right on the parking lot there.

He used to go in the back there, and some of the boys used to get together and play cards. Well,

(Testimony of Carl Joseph Schiros.)

I got acquainted with him through that. Well, at the time he told me his name was Phil. But later on——

The Court: I cannot see the relevancy of all this matter. It is sufficient that he tells us when he met him, and not all the details as to the conversation.

Mr. Larsen: Perhaps I can bring it to a head, your Honor, in this way:

Q. (By Mr. Larsen): How long after you became acquainted with him was it before you knew him by some other name?

A. A couple of months. Then he told me his name was Joe. After he was helping me around over there, he gave me his last name, and he gave me his last name as Ballenti.

Q. Did you ever have any transaction with him relating to any counterfeit money?

A. No, sir.

Q. Or with any other person? A. No, sir.

Mr. Larsen: Cross-examine. [93]

#### Cross-Examination

By Mr. Steele:

Q. You stated you knew Joe Ballenti or someone who called himself Joe Ballenti for about six months before this, before your arrest, is that correct? A. That is right.

Q. Did you ever take any trips with Joe Ballenti, any automobile trips? A. No, I haven't.

Q. You stated, I believe, that when you were



(Testimony of Carl Joseph Schiros.)

confronted with a picture of Wyatt you did not recognize him from the picture, is that right?

A. That is right.

Q. And that you were shown this picture in a car.

A. That is right.

Q. It was at night, was it? A. It was.

Q. Was it dark out at the time?

A. That is right.

Q. Afterward, when Wyatt was brought into the room, you were face to face and you immediately recognized him, is that correct? A. Yes, sir.

Q. You told him so at the time of the meeting, is that right? [94] A. That is right.

Q. Now, directing your attention to the evening you went to this restaurant and bar out on Whittier Boulevard, before you went out there this Joe Ballenti told you he was taking off to meet somebody, is that right? A. Yes.

Q. One of the girls? A. Yes.

Q. What was her name, again, Eleanor?

A. That is the girl that he was keeping company with.

Q. He wanted you to meet her?

A. No; her girl friend.

Q. He wanted you to meet Marie?

A. Yes.

Q. The heavy one?

A. They are both heavy.

Q. Was Marie employed there or do you know?



(Testimony of Carl Joseph Schiros.)

A. No, I don't.

Q. She wasn't acting as a waitress when you went there, was she?      A. No, she wasn't.

Q. They were just sitting at a table when you came in?      A. Yes.

Q. Were they eating anything or just drinking beer?

A. They were just sitting at a table with——

Q. This was toward the end of the day, was it, around 6:00 or 7:00?

A. Somewheres in there.

Q. Where were you when Joe picked you up that afternoon to go out there?

A. I was over at my place of business.

Q. About what time was that?

A. I would say' around—well, I would say around 5:00 o'clock. He was there before that. He hangs around there, you know. I mean, the time we left from there was 5:00 or 5:30.

Q. He suggested to you, "Let's go out to this place, that I know, out on Whittier Boulevard, and I want to introduce you to a girl," or something like that, is that it?

A. No. I will tell you what it was. You see, he was keeping company with this one girl——

Q. With Eleanor?

A. With this Eleanor. And he wanted me to meet her girl friend. So he asked me, and—well, I never wanted to bring that up on account of being a married man, you know.

(Testimony of Carl Joseph Schiros.)

Q. Yes.

A. So I says—so, I went with him, anyway, just for the ride.

I said, “I will go.” He was telling me she was a nice girl to know. [96]

Q. You took him out in your car, didn’t you?

A. That is right.

Q. You departed immediately after you made up your mind to go along?

A. We left, it was around 5:30.

Q. You got there around 6:30?

A. That is right.

Q. You never went out there after that time?

A. Never.

The Court: You say that on this occasion Mrs. Wyatt was not there?

The Witness: Mrs. Wyatt?

The Court: Yes.

The Witness: I didn’t see her.

The Court: You never met her?

The Witness: I met her, yes. I met her at her home.

Q. (By Mr. Steele): On the day you met Mrs. Wyatt at her home, you didn’t meet Mr. Wyatt on that day?

A. Not the first time, not when I met his wife.

Q. Just Mrs. Wyatt the first time, and he wasn’t there?

A. Mrs. Wyatt and this Eleanor and a couple of other kids around there, that I didn’t know.

(Testimony of Carl Joseph Schiros.)

They looked big to me. They said they were their kids, but they looked pretty big to me.

Q. Now, on both the other occasions when you were out [97] there to the Wyatts', the first time you met Mrs. Wyatt and the second time when you met Mr. Wyatt, you were driving your own car, weren't you? A. I was.

Q. This Joe didn't have a car?

A. He didn't.

Q. Mr. Schiros, have you ever been convicted of a felony?

A. Well, I don't know whether it would be a felony or not. I was convicted for gas coupons, but I don't know if that was a felony or not.

Mr. Steele: Maybe we had better approach the bench, your Honor.

The Court: All right.

(The following proceedings were had in the presence but out of hearing of the jury.)

Mr. Steele: I have a feeling what the defendant has reference to is this: I believe that is a misdemeanor or——

The Court: What was the amount of the sentence?

Mr. Steele: One year.

The Court: You could not tell from that. It might be a felony or it might be a misdemeanor, depending on the sentence.

I will allow counsel to consult with the defendant, with the view of answering the question.

(Testimony of Carl Joseph Schiros.)

(The following proceedings were had in the hearing and presence of the jury.) [98]

The Court: Repeat the last question.

(The question was read.)

The Witness: Yes, I have.

Q. (By Mr. Steele): That was in 1936, was it?

A. Yes.

Mr. Steele: That is all.

#### Redirect Examination

By Mr. Larsen:

Q. That was for bootlegging under the Michigan liquor laws, was it not? A. Yes.

Mr. Larsen: That is all.

The Court: Step down.

(Witness excused.)

Mr. Larsen: The defense rests, your Honor.

The Court: Do you have any rebuttal?

Mr. Steele: Just one witness.

#### VICTOR D. CARLI

recalled as a witness by and on behalf of the Government, in rebuttal, having been previously duly sworn, was examined and testified further as follows:

#### Direct Examination

By Mr. Steele:

Q. Directing your attention, Mr. Carli, to con-



(Testimony of Victor D. Carli.)

versations you testified to that you had with this defendant and [99] in particular to the occasion on which the defendant was confronted for the first time with Mr. Wyatt—— A. Yes, sir.

Q. ——do you recall that occasion?

A. Yes. That was on the evening of August 29th, the night he was arrested.

Q. Just what occurred? Who was present at that time?

A. Agents George Schnelbach and Howard Swinney, and myself, John Wyatt and the defendant, Carl Schiros.

Q. What was said by the defendant and yourself and John Wyatt and all present at that time, if you can recall the conversation?

A. I brought John Wyatt over and confronted him with the defendant, Carl Schiros. I asked him if he had seen the man before.

Q. You asked the defendant if he had seen the man before?

A. I asked John Wyatt. He said, "Yes."

I said, "Relate the circumstances under which you saw him."

He said, "I saw him the first time at the Top Rail bar," a few days previously, one evening. He said, "I saw him again a day or two later at the Top Rail bar. He came to my house on Friday morning, August 26th." He says, "He delivered to me 150 counterfeit ten-dollar notes in a paper bag which [100] was surrounded in a newspaper, which was wrapped in a newspaper."

(Testimony of Victor D. Carli.)

Q. That is substantially as you testified before. What did the defendant say then?

A. The defendant said, "I never saw that man before in my life."

Q. How long after was it that the defendant admitted knowing John Wyatt, would you say?

A. Oh, about 15, 20 minutes later, after that. Mr. Steele: That is all.

The Court: Was any reference made at that time to his failure to identify him by a photograph the night before?

The Witness: No. He stated that first—I asked him, I said, "Why didn't you tell us the truth before?"

He said, "Well, I didn't think that was necessary."

I said, "Well, you heard what this man says now."

He said, "Well, I didn't meet him that way." He said, "I was taken there by this fellow Joe, at his house."

I said, "Why didn't you tell us that?"

Mr. Steele: One more question, your Honor.

Q. (By Mr. Steele): You did show the defendant a photograph of John Wyatt the first time you saw the defendant?

A. The night he was arrested, on August 29th, at about 6:00 o'clock in the evening, I showed him a picture of John Wyatt. [101]

Q. Where were you when you showed him a picture of John Wyatt at that time?

(Testimony of Victor D. Carli.)

A. In a government automobile.

The Court: It was daylight?

The Witness: 6:00 o'clock in the evening, August 29th, daylight.

The Court: Could you see the photograph with the aid of artificial light?

The Witness: No, it was very light at that time, 6:00 o'clock in the evening.

Mr. Larsen: That was the same night you confronted him with Mr. Wyatt?

The Witness: Yes, later that evening.

Mr. Larsen: That is all.

The Court: Step down.

(Witness excused.)

(The opening argument on behalf of the Government was made by Mr. Steele.)

(The argument on behalf of the defendant was made by Mr. Larsen.)

(The closing argument on behalf of the Government was made by Mr. Steele.)

The Court: Ladies and gentlemen of the jury, the case being completed, the hour is late. It is not our custom to send a case out at this late hour, except under extraordinary [102] circumstances. There are no extraordinary circumstances in this case that would require me to send the case out at the present time.

You will be instructed in the morning. We will adjourn at this time until 9:30 tomorrow morning.



I want to admonish you not to converse among yourselves or with anyone else on any subject connected with the trial, or form or express an opinion thereon, until the cause is finally submitted to you.

You have heard the evidence. You have heard counsel's comments on the case. The case will not be ready for your consideration until you have heard the instructions on the law, which must be given by the judge of this court. We have had some reference in the questioning I directed to you this morning, when you were chosen, and then in statements by counsel, to some of the principles of law which govern criminal cases, the doctrine of reasonable doubt and the like, but not until tomorrow morning will you have a full elaboration of the doctrine.

The case involves two distinct offenses, although they relate to a single transaction. Each of those offenses must be defined to you. You have a conflict to resolve between the testimony of witnesses. I cannot help you solve it, except by giving you criteria by which legally you may resolve contradictions. [103]

You will be instructed on the principles which apply in judging the credibility of the witnesses, including that of the defendant. Until you have those principles of law to govern you, you are not in a position to determine the issue in this case, that is, the guilt or innocence of the defendant, of the charges in the indictment.

We will resume tomorrow morning at 9:30.



(Whereupon, at 5:00 o'clock p.m., Tuesday, November 1, 1949, an adjournment was taken until 9:30 o'clock a.m., Wednesday, November 2, 1949.) [104]

Wednesday, November 2, 1949. 9:30 A.M.

The Clerk: No. 20,908 Criminal, United States of America v. Carl J. Schiros.

The Court: Let the record show the jury is in the box and the defendant is in court with his counsel.

Ladies and gentlemen of the jury, the evidence was concluded yesterday and so were the arguments of counsel. The only thing that remains before the case is submitted to you is for the court to instruct you about the law.

The instructions I am about to give are all written, and I shall read them as written.

If, after you begin your deliberations, you desire to have a copy of the instructions before you, you may have them. You are also entitled to have the exhibits which were introduced in evidence. All you have to do is tell the bailiff you desire them and they will be sent to you.

The law of the United States permits a judge to comment on the facts in the case. Such comments are mere matters of opinion which the jury may disregard if they conflict with their own conclusions upon the facts. This for the reason that the jurors are the sole and exclusive judges of the facts in each case. However, it is not my custom

to exercise this right. Nor shall I exercise it in the present case. I shall leave the determination of the facts in the case to [106] you, satisfied as I am that you are fully capable of determining them without my aid. However, it is my duty, under the law, and my exclusive province, to instruct you as to the law that is applicable to the case, in order that you may render a general verdict upon the facts in the case, as determined by you, and the law as given you by me in these instructions. It would be a violation of your duty to attempt to determine the law or to base a verdict upon any other view of the law than that given you by the court,—a wrong for which the parties would have no remedy, because it is conclusively presumed by the court and all higher tribunals that you have acted in accordance with these instructions as you have been sworn to do.

You are here for the purpose of trying the issues of fact that are presented by the allegations in the indictment and the plea of the defendant thereto. This duty you should perform uninfluenced by pity for the defendant or by passion or prejudice on account of the nature of the charge against him. You are to be governed, therefore, solely by the evidence introduced in this trial and the law as given you by the court. The law will not permit jurors to be governed by mere sentiment, conjecture, sympathy, passion or prejudice, public opinion, or public feeling. Both the public and defendant have a right to demand, and they do so demand and expect,

that you will carefully and dispassionately weigh and consider the [107] evidence and the law of the case and give to each your conscientious judgment; and that you will reach a verdict that will be just to both sides, regardless of what the consequences may be.

The offense with which the defendant is charged is: Keeping in possession and uttering false and counterfeit securities.

In this connection, you are instructed that the indictment on file herein is a mere charge or accusation against the defendant, and is not any evidence of the defendant's guilt, and no juror in this case should permit himself to be, to any extent, influenced against the defendant because or on account of such indictment on file.

It is the duty of the jury to decide whether the defendant be guilty or not guilty of the offense charged considering all the evidence submitted to you in the case. The jury are the sole and exclusive judges of the effect and value of the evidence addressed to them and of the credibility of the witnesses who have testified in the case, and the character of the witnesses as shown by the evidence, should be taken into consideration, for the purpose of determining their credibility and the fact as to whether they have spoken the truth.

And the jury may scrutinize not only the manner of witnesses while on the stand, their relation to the case, if any, but also their degree of intelligence. A witness is [108] presumed to speak



the truth. This presumption, however, may be repelled by the manner in which he testified, his interest in the case, if any, or his bias or prejudice, if any, against one or any of the parties, by the character of his testimony, or by evidence affecting his character for truth and honesty, or integrity or by contradictory evidence; and the jury are the exclusive judges of his credibility.

A witness may also be impeached by evidence that he made, at other times, statements inconsistent with his present testimony as to any matter material to the cause on trial.

A witness false in one part of his or her testimony is to be distrusted in others; that is to say, the jury may reject the whole of the testimony of a witness who has wilfully sworn falsely as to a material point; and the jury, being convinced that a witness has stated what was untrue, not as a result of a mistake or inadvertence, but wilfully and with the design to deceive, must treat all of his or her testimony with distrust and suspicion and reject all unless they shall be convinced that notwithstanding the base character of the witness, that he or she has in other particulars sworn to the truth.

A witness may also be impeached by evidence that he has been convicted of a felony or of an offense involving moral turpitude. In this case the defendant has admitted that he has been convicted of a felony. That fact goes only to his [109] credibility, that, is the fact of conviction of another offense may lead you to the conclusion that



his testimony is not to be believed. However, such conviction is not proof of guilt of the offense charged and you may not consider it for that purpose at all. If, notwithstanding such conviction, you believe that the testimony is credible and such testimony raises a reasonable doubt in your mind as to guilt of the offense charged, he is entitled to an acquittal of the charge in this indictment despite the prior conviction.

The law does not require any defendant to prove his innocence, which, in many cases, might be impossible. On the contrary, the law requires the Government to establish his guilt and that by legal evidence and beyond a reasonable doubt.

If you can reconcile the evidence before you upon any reasonable hypothesis consistent with the defendant's innocence, you should do so, and in that case, find the defendant not guilty.

Reasonable doubt is not a mere possible doubt. Because everything relating to human affairs, and depending on moral evidence is open to some possible or imaginary doubt. It is that state of the case which, after the entire comparison and consideration of all the evidence, leaves the minds of jurors in that condition that they cannot say they feel an abiding conviction, to a moral certainty, of the truth of the charge. [110]

While the defendant in a criminal action is not required to take the stand and testify, yet if he does so, his credibility and the value and effect of his evidence are to be weighed and determined by the same rules as the credibility and effect and

value of the evidence of any other witness is determined. And the tests for determining the credibility of witnesses as given you in another part of the instructions are to be applied to his testimony alike with that of other witnesses.

Mere suspicion, however strong, is not sufficient to establish any fact whatsoever necessary to constitute the crime charged. Mere probabilities are not sufficient to warrant a conviction, nor is it sufficient that the greater weight or preponderance of evidence supports the allegations of the indictment, nor is it sufficient that upon the doctrine of chance it is more probable that the accused is guilty than innocent to warrant a conviction. The accused must be proved to be guilty so clearly that there is no reasonable theory upon which he can be said to be innocent when all the evidence is considered together.

The defendant, Carl J. Schiros, is charged in Count One of the Indictment under the portion of Section 472 of Title 18 of the United States Code, which provides:

“Whoever, with intent to defraud, \* \* \* keeps in possession or conceals any falsely made, forged, counterfeited, or altered obligation or other security of the United States, \* \* \*”

shall be guilty of an offense against the United States.

It is charged in Count One of the Indictment that the defendant, Carl J. Schiros, did on or about August 26, 1949, in Los Angeles County, California,

keep in his possession certain falsely made and counterfeited obligations of the United States, consisting of 150 counterfeited ten-dollar notes of the Federal Reserve Bank of Richmond, Virginia, and did keep said notes with intent to defraud.

It is charged in Count Two of the Indictment that on or about August 26, 1949, in Los Angeles County, California, the defendant, Carl J. Schiros, did pass, utter, publish and sell and did attempt to pass, utter, publish and sell falsely made and counterfeited obligations of the United States, such obligations being 150 counterfeited ten-dollar notes of the Federal Reserve Bank of Richmond, Virginia, with intent to defraud.

There are three essential elements of the offense charged in Count One of the Indictment herein. First, the act of keeping in his possession forged obligations or securities of the United States designated as 150 counterfeit ten-dollar notes of the Federal Reserve Bank of Richmond, Virginia. Second, having such possession with the intent to defraud. Third, having such possession in Los Angeles, [112] California, on or about August 26, 1949.

There are three essential elements of the offense charged in Count Two of the Indictment. First, the act or acts of passing, uttering, publishing, or selling or in attempting to pass, utter, publish, or sell counterfeited obligations and securities of the United States, such being 150 counterfeited ten-dollar notes of the Federal Reserve Bank of Richmond, Virginia. Second, doing this act or these



acts with intent to defraud. Third, doing this act or these acts on or about August 26, 1949, in Los Angeles County.

In a case where two or more persons are engaged in the commission of a crime, the guilt of the accused may be established without proof that the accused did every act constituting the offense.

“Whoever commits an offense against the United States, or aids, abets, counsels, commands, induces, or procures its commission, is a principal.”

(and)

“Whoever causes an act to be done, which if directly performed by him would be an offense against the United States, is also a principal and punishable as such.”

Every person who thus wilfully participates in the commission of a crime is held to be guilty of that offense. Participation is wilful if done voluntarily and purposely [113] and with specific intent to violate the law, or with reckless disregard to whether or not the act or failure to act is a violation of law.

To aid means to further the interests or designs of another by assistance or cooperation, to give support, help to another, to assist.

To abet means to encourage, instigate or countenance.

Taken together the words as used in this statute are to be understood, as used in common parlance, according to the dictionary definition I have just given.

The words “to counsel, command, induce or pro-



cure'' are used in the ordinary, everyday sense and need no further definition.

In order to find the defendant, Carl J. Schiros, guilty as charged in either of the counts of the Indictment, the burden is upon the prosecution to prove beyond a reasonable doubt every essential element of the crime charged as to that particular count.

In every criminal offense there must be concurrence of act and intent. This is especially true in an offense like the present one which requires that the act shall be done knowingly and wilfully.

This intent is a material element of the offense which, like all others, must be proved beyond a reasonable doubt.

In determining the question, you are to consider all the [114] facts and circumstances in the case which touch the conduct of the defendant, as well as the declarations or admissions, if any.

Criminal intent may be implied from the acts, conduct, declarations or admissions of the defendant. Such acts, conduct, declarations and admissions, as shown by the evidence, considered in relation to the charge made, may establish criminal intent beyond a reasonable doubt.

An accomplice is a person who has knowingly participated in the acts charged as constituting the offense. John and Bonnie Ruth Wyatt are accomplices.

The testimony of an accomplice should be scrutinized carefully by the jury and you should

act upon the testimony of an accomplice with caution and care.

However, it need not be corroborated, and if you believe such testimony, the testimony of an accomplice, even in the absence of any corroboration, is sufficient to sustain a conviction.

Your first duty upon retiring to the jury room to begin your deliberations in the case will be to select one of you to act as foreman in the case.

For your assistance the Clerk has prepared a form of verdict which reads, following the title of court and cause:

#### “Verdict

“We, the Jury in the above-entitled cause, find the defendant Carl Joseph Schiros (blank) as charged in Count One of the Indictment; and (blank) as charged in Count Two of the Indictment.

“Dated November (blank), 1949.

“(Blank) Foreman of the Jury.”

If you find the defendant, Carl Joseph Schiros, guilty as charged in Count One of the Indictment, you will place the word “guilty” in the blank space opposite that count.

If you find him not guilty, you will place those words in the blank space opposite that count.

If you find him guilty as charged in Count Two of the Indictment, you will place the word “guilty” in the blank space opposite that count of the Indictment.

If you find him not guilty, you will place those words in the blank space opposite that count of the Indictment.

While you are required, unless the court permits you to do otherwise, to return a verdict upon each of the counts of the Indictment, it is not necessary that the verdicts be the same. You have to determine the matters yourself. You have to determine whether you are convinced beyond a reasonable doubt that the defendant is guilty of each of the charges or either of the charges, and you may find one conclusion as to one and another conclusion as to the other.

Remember there are two distinct offenses. Count One charges possession of the counterfeit bills. Count Two [116] charges uttering. The charges are made under the same section of the Code, which section covers a variety of acts, each of which is punishable. So that I repeat again that you may find one verdict as to one count and another verdict as to the other.

The mere fact I am giving you these explanations should not lead you to believe that I have an opinion as to what the verdict should be as to either. All I am telling you is, you are required, unless I discharge you without your arriving at a verdict, to return a verdict as to each count of this indictment.

Whatever your verdict is, it is to be dated and signed by your foreman and returned to this court.

Are there any objections to the instructions given



or refused? If so, opportunity will be given to counsel to present the objections out of the hearing of the jury.

Mr. Larsen: No, your Honor, none on behalf of the defendant.

Mr. Steele: The Government has no objections.

The Court: All right. The instructions remain as given. The Clerk will swear the bailiffs.

(The bailiffs were duly sworn.)

The Court: You will follow the bailiffs and you will begin your deliberations in the case.

I hand the bailiff a blank form of verdict. You may [117] have the exhibits if you will ask for them.

(Whereupon the jury retired to deliberate.)

(At 12:30 o'clock p.m. the jury returned to the courtroom and the following proceedings were had:)

The Court: Call the case.

The Clerk: Case 20,908 Criminal, United States of America v. Carl J. Schiros.

The Court: Let the record show the jury have returned and the defendant is in court with his counsel.

Ladies and gentlemen of the jury, have you arrived at a verdict?

The Foreman: Yes.

The Court: Will you hand the verdict to the bailiff?

(The foreman complies.)



The Court: The Clerk will read the verdict.

The Clerk: (Reading:)

“United States District Court, Southern District  
of California, Central Division

No. 20,908 Criminal

UNITED STATES OF AMERICA,

Plaintiff,

vs.

CARL JOSEPH SCHIROS, Charged as Carl J.  
Schiros,

Defendant.

### VERDICT

“We, the Jury in the above-entitled cause, find the defendant Carl Joseph Schiros guilty as charged in Count One of the Indictment; and guilty as charged in Count Two of the Indictment.

“Dated: November 2, 1949.

“SAMUEL K. MILLER,

“Foreman of the Jury.”

Ladies and gentlemen of the jury, is this verdict as presented and read the verdict of each of you, so say you all?

The Jurors: Yes.

The Court: Do you desire to have the jurors polled individually?

Mr. Larsen: No, your Honor.

Mr. Steele: No.

The Clerk: Is it ordered the verdict be filed, your Honor?

The Court: The Clerk will enter the verdict.

Certificate

I hereby certify that I am a duly appointed, qualified and acting official court reporter of the United States District Court for the Southern District of California.

I further certify that the foregoing is a true and correct transcript of the proceedings had in the above-entitled cause on the date or dates specified therein, and that said transcript is a true and correct transcription of my stenographic notes.

Dated at Los Angeles, California, this 22nd day of December, A.D. 1949.

/s/ VIRGINIA K. PICKERING,  
Official Reporter.

[Endorsed]: Filed December 27, 1949.

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[Title of District Court and Cause.]

CERTIFICATE OF CLERK

I, Edmund L. Smith, Clerk of the United States District Court for the Southern District of California, do hereby certify that the foregoing pages numbered from 1 to 17, inclusive, contain the original Indictment; Verdict; Notice of Motion for New Trial; Judgment and Commitment; Notice of

Appeal; Statement of Ground on Appeal; Designation of Record on Appeal and Substitution of Attorneys and full, true and correct copies of minute orders entered October 3, 1949, and November 14, 1949, which, together with the original reporter's transcript of proceedings on November 1 and 2, 1949, and original exhibits 1, 1-A, 1-B, 1-C and 1-D, transmitted herewith, constitute the record on appeal to the United States Court of Appeals for the Ninth Circuit.

I further certify that my fees for preparing and certifying the foregoing record amount to \$2.40 which sum has been paid to me by appellant.

Witness my hand and the seal of said District Court this 29th day of December, A.D. 1949.

EDMUND L. SMITH,  
Clerk,

[Seal] By /s/ THEODORE HOCKE,  
Chief Deputy.

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[Endorsed]: No. 12443. United States Court of Appeals for the Ninth Circuit. Carl J. Schiros, Appellant, vs. United States of America, Appellee. Transcript of Record. Appeal from the United States District Court for the Southern District of California, Central Division.

Filed December 30, 1949.

/s/ PAUL P. O'BRIEN,  
Clerk of the United States Court of Appeals for the  
Ninth Circuit.